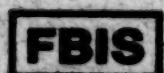


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18 December 1979

Latin America Report

No. 2087



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INTER-AMERICAN AFFAIRS

MEXICAN GEOTHERMAL SYSTEM FOR NICARAGUA

Mexico City EL SOL DE MEXICO in Spanish 27 Nov 79 pp 1-B, 5-B

[Text] Based on Mexico's experience, Nicaragua is preparing to take advantage of its enormous geothermal potential and to plan the future of its electrical industry in accordance with the system employed in our country through its Program of Projects and Investments in the Electrical Sector (Programa de Obras e Inversiones del Sector Electrico--POISE).

The foregoing was stated to the director of the Federal Electricity Commission (Comision Federal de Electricidad--CFE), Hugo Cervantes del Rio, by the principal leaders of the Nicaraguan Energy Institute (Instituto Nicaraguense de Energia--INE).

These foreign technicians visited the Mexican official to thank him, in the name of the Government of National Reconstruction (G/NR) of their country, for the aid provided by the CFE, on orders of the Mexican President, during the political crisis that Nicaragua underwent a few months ago.

Heading the [Nicaraguan] delegation were engineers Emilio Rappacholi, Director General of the INE, and Fernando Cuevas, Director of Planning, who expressed to Cervantes del Rio their appreciation for the aid provided, especially by the CFE.

They stated that the aid sent, in both technical advice and in materiel and equipment, made it possible, even in the most difficult moments through which their country went after the defeat of the [Somoza] dictatorship, for the country never to lack for electric power.

In addition, the foreign technicians told the CFE director that the INE has received valuable technical advice from Mexico in taking advantage of Nicaragua's enormous geothermal resources and that, furthermore, they are going to plan the future of their electrical industry on the basis of the system utilized by Mexico in its POISE.

During the meeting, it was reported that Mexican technicians have been in Managua for some time now as part of the program of aid to the GNR ordered as a gesture of solidarity by President Jose Lopez-Portillo.

CSO: 3010

INTER-AMERICAN AFFAIRS

BRIEFS

CUBAN-URUGUAYAN SOLIDARITY DRIVE--On the occasion of the international drive of solidarity with the Uruguayan people's struggle, which begins today, a press conference was held at the Cuban Movement for Peace and Sovereignty of Peoples [MPSP]. (Silvio Hernandez) of the Uruguayan National Convention of Workers, (Laura Stefman) of the Committee for Peace and (Atilio Norchio), leader of the Uruguayan Federation of University Students, participated in the conference. The main themes of the solidarity drive will be the release of political prisoners and Gen Liber Seregni, end of torture, clarification of the status of missing persons and economic measures of benefit to the people. A point that should be condemned during this drive is the electoral farce announced by the Uruguayan regime for 1981 following a 1980 plebiscite. It was learned that a photo exposition will open at the MPSP on 12 December as part of activities in Cuba during the solidarity drive. [FL110021 Havana Domestic Service in Spanish 0000 GMT 11 Dec 79 FL]

CSO: 3010

ARGENTINA

UPCOMING PROMOTIONS, SPECULATION ON VIOLA'S SUCCESSOR

Buenos Aires CONFIRMADO in Spanish 15 Nov 79 pp 4-6

[Text] When Lieutenant General Viola reports for duty as usual on Monday, 19 November, he will find on his desk a study consisting of two voluminous folders with the conclusions arrived at by the Promotion Board (which processes promotions up to the rank of lieutenant colonel) and the Superior Promotion Board for the particular arm of the service which does the same thing although it deals only with promotions of colonels and brigadier generals. From that moment on, the final decisions on promotions and the assignment to top command positions in the army are in the hands of the board chairmen. This circumstance--which is quite customary in the methodology involved in the periodic renewal of high-ranking military commanders--this time triggered unusual expectations. The fact is that the generals who lead the army this time will be responsible for guiding a new phase in the National Reorganization Process (involving political and social definitions). It is precisely this fact which started a real wave of speculations and assumptions designed to reveal basically two unknowns: Who will succeed Viola in his command position and who among the brigadier generals will climb one more rung on the ladder of their military career.

In the first case it must be pointed out that division generals who are qualified for three-star rank--which is the rank given to the officer who becomes the commander-in-chief of that particular service--line up as follows in strict order of seniority: Diego Ernesto Urricarriet, currently director of military productions; Carlos Guillermo Suarez Mason, Chief of the General Staff; Santiago Omar Riveros, delegate to the Inter-American Defense Board; Leopoldo Fortunato Galtieri, CG, I Corps; Albano Eduardo Harguindeguy, minister of interior; and Jose Antonio Vaquero, recently appointed CG, III Corps, replacing Luciano Benjamin Menendez, because of the mutiny which the latter led on 28 September. The group of division generals can be completed with the addition of the names of Jose Montes, director of Military Institute; Oscar Bartolome Gallino, deputy director, military productions; Luciano Adolfo Jauregui, CG, II Corps, HQ at Rosario and Antonio Domingo Bussi, CG, National

Gendarmery; nevertheless, the military rank structure allows only the most senior two-thirds of the officers involved to be promoted to higher ranks, in other words, up to General Vaquero, inclusive.

Commander's Profile

In his recent statement to a Buenos Aires morning paper, Lieutenant General Viola for the second time in the past two months outlined what, in his judgement, should be his successor's political "profile." In his previously mentioned statements, Viola emphasized that the commander-in-chief must meet four basic requirements. "First of all, he must have an adequate intellectual capacity to tackle the coming problems." Secondly, "he must have solid prestige within the establishment." Third, "he must have adequate capacity in political terms so as to enable him to grow in or with the Military Junta; and, fourth, "he must have smooth communication with the executive branch so as to contribute to institutional coherence." These four conditions which the senior officer taking over the top army post must meet, in Viola's judgement, triggered a real marathon of data collection on the personalities of the candidates in various circles.

In an earlier issue of CONFIRMADO we said—with respect to the moment at which the decisions on the top promotions will become known—that "it was initially expected—although there was no organizational provisions to that extent—that the name of the new army CG would become known by the middle of December. But in recent days, military spokesmen hinted at the possibility that the name might be released earlier, around 30 November, when Viola informs the generals of his final decision on the topic." In the report which CLARIN includes in its Sunday, 11 November, issue, General Viola—questioned as to when his decision would be made known—replied verbatim: "Let me say that the first decision will become known around 1 December."

Advancement

As we go to press, the names of generals Suarez Mason and Galtieri figured among those predicted by everybody regarding the appointment of the new army commander-in-chief. Concerning the matter of retirement, the fact that Gen Diego Urricariet happens to be an Engineer officer—the general with the most seniority after Viola—made the assumption as to his retirement look almost certain. The same was expected for artillery Gen Santiago Omar Riveros since the delegate to the Inter-American Defense Board (with HQ in Washington) is traditionally considered to be the last assignment prior to retirement. But Riveros could remain in office one more year (and therefore retain his general rank) if Viola's successor is not more modern [younger] than he.

In a matter of the promotion of the brigadier generals to the next higher rank—another question that has been occupying political groups—the order

of seniority for generals in line to win two-star rank is as follows: Eduardo Alberto Crespi (Infantry), currently secretary-general in the office of the president; Abel Catuzzi (Cavalry), acting CG, V Army Corps; Jose Rogelio Villareal (Infantry), deputy CG, I Corps; Reynaldo Bignone (Infantry), secretary-general of the army; Horacio Barros (Signal Corps), director of military production; Horacio Tomas Liendo (Signal Corps), deputy chief of staff; Edmundo Rene Ojeda (Cavalry), assistant commandant, Military Institute; Jose Luis Sexton (Engineers), CG, 7th Infantry Brigade, HQ at Neuquen; Cristino Nicolaides (Engineers), chief of operations, EMGE [Army General Staff]; Carlos Alberto Martinez (Artillery), secretary, SIDE [State Intelligence Secretariat]; Luis Jorge Warckmeister (Cavalry), chief of personnel, EMGE; and Juan Bautista Sasiain (Infantry), chief, Federal Police.

Although there was tight military security on the matter of promotions to the rank of Division General, some rumors pointed to the certainty of the retirement of Gen Abel Catuzzi on his own initiative; his application is now in the office of Lieutenant General Viola. On the other hand, the predominant criterion in leading this service seems to be pointing to four or five appointments to the rank of division general. The names heard most insistently were those of generals Crespi, Bignone, and Nicolaides. To that list one might add--of course unofficially--Villarreal, Liendo (or just one of them) and Martinez. In case of the latter it is probable that, even though he may not be promoted, he will remain on active duty as brigadier general--if he is not passed over for a fellow officer with less seniority. On the other hand, the probable promotion of Liendo and Nicolaides would seemingly lead to the retirement of Gen Horacio Barros. If this were to come true, then the army's top leadership would be made up of 11 or 12 division generals. With respect to General Sexton, some people predicted his promotion while others predicted his retirement.

Changes in the Navy and Air Force

While the changes provided for the army produced the kind of attention that is rarely ever noted in such matters--something which concerned the Libertador Building into the center of public attention--one cannot say the same thing about the other two services. The explanation is very simple: Both in the navy and in the air force there will be no replacement of commanders-in-chief. Admiral Lambruschini and Brigadier General Graffigna will shortly leave their posts after having been picked to succeed Videla in the office of the president of the republic. In the navy, specifically, the commander-in-chief will leave between September and October 1980 whereas this change in command is scheduled for the end of next year in the air force.

The Navy Promotion Board--which will conclude its work toward the end of November--is studying various alternatives. In spite of official secrecy, modifications will therefore soon be predicted in the command structure.

Some sources hinted that the position of chief of naval operations would be taken over by VAdm Jorge Anaya whereas command of naval operations would be taken over by VAdm Humberto Barbuzzi. Other rumors hinted that there would also be a change in the office of the navy secretary-general. But these were only speculations which are based on the retirement of three vice admirals.

Although there will be changes in assignments in the air force, it is more than probable that there will be only one retirement in the top command, made up of brigadier generals. In the matter of promotion of brigadiers to the next higher rank, the appointment will be easy: Here, the secretary-general of the air force, Brig Gen Basilio Lami Dozo, is clearly outstanding. Reliable sources assured us that there would be no change either in the air force operations command or in the position of air force chief of staff. This means that Jesus Orlando Capellini and Roberto Temporini will remain at their posts.

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CSO: 3010

ARGENTINA

MAGAZINE PREDICTS CUTA'S DISINTEGRATION

Buenos Aires CONFIRMADO in Spanish 15 Nov 79 pp 8-9

[Text] The renewed outbreak of labor conflicts and the position of the CUTA [Single Union of Argentine Workers] on the amendment of law 20.615 on professional associations must be considered as definitely independent situations. If the CUTA were to entertain the assumption that these conflicts are a part of its opposition to the approval of the new law, it would certainly not manage to produce anything other than incredulity. It is clearly realized in official circles that the wage demand is to be handled by the internal factory commission without any intervention from the labor union leadership. This realization explains why forceful measures have not been contemplated in the standards which suspend and penalize the right to strike.

This does not mean that the CUTA is indifferent on the wage issue. Its demand program includes the demands for a restoration of the wage-price ratio; however, one must remember what happened on 27 April when the Commission of the 25 launched the "protest day." On that occasion, the CNT [National Labor Commission] disowned and repudiated this step while the rebels were tried in court. On top of that, the Ministry of Labor revoked the mandate of five leaders.

This situation was recalled in a number of agitated meetings which the sectors held throughout last week. According to the stories making the rounds, one member of The 25 had adopted a rather strange position on whether the leadership should or should not attend the congress of the CIOSL. It was said there that it would have "to remain in Buenos Aires so that the workers would not come to think that traveling while the new law was being passed expressed an attitude of cowardice. But one must oppose a work stoppage in order to avoid having the same thing happen to us that happened on 27 April."

Another story points out that the development sector is encouraging the possibility of having the CUTA decide on a strike since it is known that the development-oriented group has been publicly expressing its opposition to current economic policy. An agreement with CUTA would not be a

strange thing since the development-oriented group in recent times has been trying to work out a pact between the employer organizations and labor union groups. In connection with Industry Day, for example, there was a meeting in the headquarters building of the Argentine Industrial Union between employers and CUTA leaders. The result was an announcement by the labor union outfit, coming out in favor of "defense of national industry" and against the economic policy "which benefits foreign interests to the detriment of the country."

Outside and Inside

Be that as it may, the discussions in the CUTA reached a high point last week. The specter of a rupture hovered over the situation when the CNT challenged the candidacy of the cab driver Roberto Garcia for the position of vice president of the CIOSL [International Confederation of Free Labor Union Organizations] for the area of South America. One of the arguments is based on the idea that he is not really representative of the area because his union ousted him from his office in connection with the protest day on 27 April. But behind that is the struggle as to who and what sector will take over a by no means negligible international job. This is particularly significant in accordance with the way in which the labor unionists measure their future in the light of the new law on worker union associations.

The decision not to go to Madrid, where the CIOSL congress will be held, and to ask that the post be reserved for Argentina, may lead to an unexpected result. It is not customary for international congresses to reserve jobs for those who are absent, at least when it comes to filling a job on a certain level. Another thing that has to be taken into account is the importance which the Brazilian labor union movement has been assuming. In recent times the Sao Paulo leader "Lula," a metallurgical leader, has been advancing to the status of a real labor leader. During his recent visit to Brazil, the boss of European social democracy, the German Willy Brandt, asked that his schedule include a conversation with "Lula," the nickname of Luis Inacio da Silva.

The CIOSL is the labor union apparatus on which social democracy is based in Western Europe, Canada, and Japan. "Lula" has been telling everybody that he is a social democrat so that the CIOSL might be interested in having him included in the organization's leadership.

Here is another example: In 1978, when The 25 asked that Ramon Antonio Baldassini, of the telephone and postal worker union, occupy a leading position on the board of directors of the ILO, replacing Casildo Herreras, the CIOSL put the Spaniard Jose Aguiriano in his place and Baldassini got a lesser job. Jose Aguiriano is a labor unionist from the UGT (General Union of Workers) who follows the social democratic line of Felipe Gonzalez.

Nor must one lose sight of what is happening in Venezuela. There, the CTV [Confederation of Workers of Venezuela]—a labor union commanded by Jose Vargas, at the same time vice chairman of the Democratic Action party—is mounting a determined charge against the Christian Democratic administration of Luis Herrera Campins. The topic which started all the trouble involved the corruption trial of the social democratic administration of Carlos Andres Perez. The CIOSL might well bolster the CTV, giving it the job of Roberto Garcia.

Questions Without Answers

All of this has created much confusion on the CUTA tactics. The problem it must face is definitely complicated. It suffices to analyze some alternatives here. (1) Will the workers obey a call to go out on strike in defense of the professional associations law? (2) Is it possible that they will obey a strike call from the CUTA if they recall the repudiation of the demonstration on 27 April by the CNT? (3) Is there really unity in the CUTA when it turns out that the two groups that gave rise to it are now challenging each other in public over an international position? (4) Will the workers have realized that the current labor union leadership is definitely going to be replaced by the new law? Time is very short for coming up with answers to these questions.

While the vicissitudes pointed out here worried the leaders, conflicts continue in the People's Bank, the Hilandería Devoto, the Dequil car body plant, and the Swift meat-packing plant.

If the leaders and the rank and file continue to go their separate ways, the dilemma of the CUTA might possibly turn into a collapse. "The only thing we need," snorted a top-level labor leader in talking to CONFIRMADO, "is to say that Alemann is right." As we recall, the latter said a couple of weeks ago (see issue No 513 of this magazine) that the labor unionists could not call a strike because, not being representative, nobody would listen to them. "But," reflected a veteran leader of the industrial labor union, "that would mean that we would not do anything out of fear of failure." Will that happen? If it does, a new Argentina will begin to emerge in outline on the horizon. With other leaders and, probably, with a different philosophy. Which may or may not agree with the spirit of the imminent law on professional associations.

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CSO: 3010

INTERIOR MINISTER REVIEWS POLITICAL SITUATION

PY111413 La Paz Radio Panamericana Network in Spanish 1130 GMT 11 Dec 79 PY

[Text] According to the opinion of Interior Minister Jorge Selum Vaca Diez, tranquillity is returning to the country after the unrest which has shaken the fatherland in the last few days. He also remarked that there are political groups interested in tarnishing the present democratization process, which was saved with blood and sorrow during the bloody events in the first days of November. During an interview, the minister told us the following:

[Begin Selum Vaca Diez recording] The truth is that a number of things have happened, ranging from roadblocks to sabotage, etc., a number of things which have hindered the normal development planned by the government. I can tell you, Mr Newsman, that nevertheless there is gradual progress toward normalcy, particularly regarding the roadblocks. We are now experiencing a few situations which we may call serious, such as the threatening attitude of the peasants of Oruro, Sorata and Caranavi. We have taken all due precautions and are sending a special commission to Oruro and also to Cochabamba, where there is a roadblock at (Villa Tunari), in order to try to engage in dialog and exhaust all means of persuasion with the peasant leaders to find the way of seeking a solution to this problem, which is, in fact, exhausting the Bolivian people. [end recording]

The minister said that the psychosis of a possible military coup has not disappeared from the Bolivian political scene because some sectors, interested in creating problems for the constitutional regime, established through the unanimous decision of the National Congress and the determined participation of the Bolivian Labor Central [COB], do not rest for a moment in creating unrest among the Bolivian population. The minister did not believe, however, that there was any danger of an immediate coup d'etat.

[Begin Selum Vaca Diez recording] In the first place, we have been living with that coup psychosis for some time now, and I have even reported it several times. I do not believe that the threat has disappeared, but I would not dare to set a date, as little as you would, Mr Newsman. That is very difficult. I do not believe there is any immediate danger of

a coup. Now, as to the state of anarchy in the country, would you be so kind as to ask those who are creating this situation; they would probably answer you with more knowledge that I have. [end recording]

Interior Minister Selum Vaca Diez stated that the COB is trying to hinder the normal functioning of the present constitutional regime, which was the result of the COB's determined participation in the defense of democracy during the first days of last month. He said that Bolivian democracy is now threatened by a number of situations of unrest which are brought about by persons who are interested in tarnishing the democratic process which was saved at the cost of the blood, sorrow and tears of the Bolivian people. Minister Selum Vaca Diez referred to this in the following words:

[Begin recording] The COB has taken a position which is undoubtedly harming the normal functioning of this government. They have been demanding many things from us in our 3 weeks of government. As the public knows, these 3 weeks have been very agitated; first we spent 6 days on the forming of the high military command, then we had the economic measures and now the roadblocks. We ministers have not even had time to get to know our own offices, because we have dedicated all our efforts to trying first to consolidate democracy, which is threatened by a number of agitations. [end recording]

CSO: 3010

CHRISTIAN DEMOCRATS WITHDRAW FROM MNR ALLIANCE

PDC President's Announcement

PY041549 La Paz Radio Panamericana Network in Spanish 1130 GMT 4 Dec 79 PY

[Text] The 15th special congress of the Christian Democratic Party [PDC] has decided that the party should recover its full autonomy, thus withdrawing from the Nationalist Revolutionary Movement [MNR] alliance.

This was reported to Radio Panamericana during a press conference by PDC President Luis Ossio who asserted that the PDC is an essentially democratic and pluralist party. He announced its withdrawal from the MNR alliance and then confirmed the party's support for the government.

[Begin recording] Our party continues its solidarity with the tasks entrusted to Mrs Lidia Gueiler by the National Congress when it appointed her president. We have participated, through three Christian Democratic ministers, in the decision of her government. We believe that the recent measures of economic and financial reorganization are the only ones, although probably not the best ones, which can be adopted in the present situation. [End recording]

Luis Ossio then outlined the events since 6 August and the performance in the congress of the PDC and its (?decisions) regarding the MNR alliance. He said that the reasons for withdrawing from the front which nominated Victor Paz Estenssoro and himself for the highest offices of the country are fully justified and asserted that it is necessary (?to remove) any suspicions or partiality in the new elections.

The PDC president stated that his party contributed to the search for solutions during the recent crisis suffered by the country, which was the result not only of 7 years of dictatorship but also of 3 years of political indecision. He then said:

[Begin recording] At the same time that we make the decision to recover our party independence, we wish to confirm to the Bolivian people our commitment to continue working for true democracy in this country [words

indistinct] moral values, in which the government which is elected shall (?respond to) popular will, rather than to the interests of small groups of people. [End recording]

He further reported that proposals are being prepared toward a solution of the economic crisis, and although they are the only ones which can be adopted, they should be formulated in such a way as to prevent injustices to the minority sectors.

MNR's Purpose Assessed

PY041554 La Paz Radio Panamericana Network in Spanish 1130 GMT 4 Dec 79 PY

[Text] Victor Paz Estenssoro, leader of the Nationalist Revolutionary Movement [MNR] alliance, announced his support for the next elections being general, that is, for president, vice president, deputies and senators. This opinion was given to Radio Panamericana during an interview granted yesterday afternoon. The political leader then said that the political independence achieved by the Christian Democratic Party [PDC] is undoubtedly a result of the new political situation of the country. The various political forces of the country should necessarily realine themselves according to their own guidelines and the general conditions of the political situation in Bolivia, stated Victor Paz Estenssoro, the MNR leader who made the revolution of April 1952 a reality.

[Begin recording] When the alliance was formed, the possibility was foreseen that some of the member parties could separate from it. The PDC attitude is therefore no surprise. I believe that each party, being basically an instrument for political action for certain social groups, should make its own decisions according to the political context of each situation, basically taking into account whether or not it has achieved its objectives as a member of the alliance. I think that the PDC has believed that until now it has been useful to be a member of the alliance and that the alliance is no longer useful in view of the new situation.

On the other hand, the alliance was formed during the period before the 1 July general elections this year. The country will now have a new electoral process and each party naturally will seek the position which is most suitable in the present situation during the new preelectoral period. So I do not think it surprising that the PDC has taken this decision. I rather think that in view of the new political situation of the country, there should be a realignment of political forces. [End recording]

He then stated that the MNR is now busy organizing and reorganizing its political leadership throughout the country.

Paz believes that the attacks against his person, both from the ultraleft and the ultraright, have been made because the electoral campaign has already begun in the country. He said:

[Begin recording] The electoral campaign has, in fact, already begun a little. The attacks you mention, both from the ultraleft and the ultraright, [words indistinct]. [End recording]

Victor Paz Estenssoro, national leader of the MNR alliance, does not rest for a moment in attending to organizational details of the party at the MNR Secretariat, located on (Genero Sanjines) Street in this capital.

CSO: 3010

BOLIVIA

FOREIGN CURRENCY RESERVES SHOW DEFICIT

PY071748 La Paz Radio Panamericana Network in Spanish 1130 GMT 7 Dec 79 PY

[All figures as heard]

[Text] Bolivia is facing a deficit of \$38 million. This serious financial situation of shortage of reserves was caused by the dollar rush which took place in the country in November. The information has been obtained by Radio Panamericana from the International Monetary Fund, the Finance Ministry and the banks which report that the country not only has no reserves but has a deficit.

The dollar rush in November had the following proportions: During the first 2 weeks of November--the time of the Alberto Natusch government--sales totaled over \$24 million; on Thursday, 8 November, \$10.5 million were sold; on Friday, 9 November, \$8 million; on Monday, 12 November, sales totaled \$6 million, making a total of \$24.5 million. Later, after the government was changed, that is, in the last 2 weeks of the month, sales totaled about \$10 million. The closing of the banks prevented the dangerous dollar rush from continuing.

In comparison, in December 1978 monetary reserves were \$169 million, while in October this year this amount had reached zero level, and now there is a \$38 million deficit. The information given to Radio Panamericana says that losses of the Bolivian net reserves of U.S. dollars began in 1977. In 1977 and 1978 there was a loss of \$72.1 million. Between January and October 1979 there was a loss of \$196 million.

Meanwhile, the purchases and sales by the central bank of foreign currencies in 1979 also showed a serious deficit; the negative balance from January to September was \$67.9 million. In October, \$80.2 million was bought, while \$128.1 was sold, leaving a negative balance of \$18.3 million, according to the official report. In November, according to records up to 28 November, central bank purchases of foreign currencies totaled \$73.8 million and sales totaled \$42.5 million, leaving a positive balance of \$42.5 million.

These figures show that there was a flight of \$36 million from the country during November this year because of the political crisis which forced the application of the so-called economic packet upon the country.

Out of this total of \$36 million which left the country last month during the days of crisis, there was a flight of nearly \$26 million calling forth the grave crisis now being experienced by the nation. On 8 November, the first day after banking activities were resumed, there was a flight of \$10 million and this currency flight could not be stopped. This was the reason why it was tried through the economic packet to normalize the purchases and sales of foreign currencies.

CSO: 3010

'O ESTADO' CONDEMNS KENNEDY'S REMARKS ON SHAH

PY061740 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 5 Dec 79 p 3 PY

[From the "Notes and Information" page: "Wrong Words at the Wrong Time"]

[Excerpts] Senator Kennedy, the antihero of Chappaquiddick and current contestant for the presidency on the Democratic Party ticket, has chosen this very moment to violently attack his country's government for giving temporary asylum to the former shah of Iran who, suffering from an incurable disease, needed medical assistance. He did so at the very moment when the fanatics who are occupying the U.S. Embassy have chosen 8 of the 49 hostages they are holding to be tried for espionage in accordance with Islamic laws. Until now, Kennedy had approved and even praised Jimmy Carter's efforts to free--by diplomatic and peaceful means--the victims of the violation of the holy principles of civilized international coexistence such as the extraterritoriality of embassies and the immunity of the diplomats. Unless we are wrong, this is the first time Kennedy has attacked the shah. He did not attack him when he was in power, he did not attack him when he was still well and able to answer. He attacked him now that he has not power and is suffering from an incurable disease. "I believe"--the senator from Massachusetts says--"that the interests of the United States are with the Iranian people and not with the shah." The "interest" of the government and the Iranian people who occupied the U.S. Embassy and who are keeping 49 U.S. diplomatic officials as hostages is that this sick man should be extradited and left at the mercy of the fanatic fury of the masses controlled by the ayatollah.

Is this, in the opinion of the heir to the Kennedy name, in the interests of the United States? That his statement is nothing but a repugnant electoral trick is proven by the fact that the senator has linked the problem of the shah with that of the Hispanic immigrants. It is enough to observe the demagogic tone of his statements at times when his country is subject to the greatest challenge and the greatest humiliation of its history.

What really surprises us is not the tone of Kennedy's remarks about the shah, but the time he chose to make them. By doing so, the candidate-to-be evidences a total lack of moral feelings which are required of a chief

of state. Woe to the United States and the world if this man becomes president of the nation! His remarks also reveal his total inability to perceive the true atmosphere of the U.S. public opinion which has managed to overcome its traumas and complexes known as the "Vietnam syndrome." The senator acts in an alien manner. The senator also made a tactical mistake: His remarks can only harm his electoral prestige and strengthen the faith in Carter's leadership qualities. In the interests of the U.S. people it would be better if Kennedy went on with this line of talk which is not only demagogic but markedly antipatriotic.

CSO: 3001

BRIEFS

IRANIAN-U.S. CONFLICT--The resolution issued by the UN Security Council serves no purpose. Its meetings will not help to release the hostages which are being held [words indistinct] in the U.S. Embassy in Iran. The crisis continues, the conflict is becoming more severe and the United Nations evidences its impotence once again. The United States is examining new repressive measures against the Iranian regime, which will in turn worsen the crisis which by now constitutes a threat to world peace. The Soviet Union is not willing to risk taking advantage of the U.S. failure; on the contrary it makes it more cautious than (?ever). Both the United States and the Soviet Union have applied political and military pressure against Iran, giving rise to an extremely dangerous situation. [Words indistinct] the Soviet Union acknowledges that the invasion of the U.S. Embassy in Iran violates the principles of international law [words indistinct]. The situation is serious, and the U.S.-Iranian conflict could have very serious consequences for the entire world, including the Soviet Union. [Newton Carlos] [Text] [PY061254 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 6 Dec 79 PY]

OPEN LETTER TO FIGUEIREDO--Sao Paulo--Dozens of students yesterday afternoon distributed throughout the main streets of this city copies of an open letter addressed to President Figueiredo by the National Student Union (UNE) and the Sao Paulo State Student Union (UEE). In the document, the students protest the "repressive action carried out in Florianopolis" and demand the release of the students under arrest, the repeal of the national security law and the end of the military regime. Five students of the Sao Paulo university, three of them of the polytechnical school, were arrested yesterday by personnel of the department of political and social order at the Cha bypass--a point of heavy movement of people--as they were distributing pamphlets addressed to President Joao Figueiredo in defense of the students arrested in Florianopolis. [Excerpts] [PY071135 Rio de Janeiro JORNAL DO BRASIL in Portuguese 6 Dec 79 p 3 PY]

DISSIDENT GENERAL ABREU DIES--Rio de Janeiro--Gen Hugo de Andrade Abreu, chief of the military household under the Geisel administration, died of a brain aneurysm shortly before 1700 today at the Samaritano hospital. Abreu was arrested twice in military barracks for making political remarks

which irritated the government. He wrote the book "The Other Side of Power." His dismissal by the government and his support for the opposition presidential candidate, Euler Bentes Monteiro, were prompted by his opposition to the appointment of Joao Baptista Figueiredo to be president of the republic. [Excerpts] [PY052326 Porto Alegre Radio Guaiba in Portuguese 2150 GMT 5 Dec 79 PY]

DIFFICULTY IN INCREASING OIL SUPPLY--The Brazilian Petroleum Corporation [Petrobras] has succeeded in obtaining an increase of oil supply for 1980 only from the Chaco, Chevron and Mobil oil companies. Currently these three companies supply the country with approximately 170,000 barrels per day, which represents 18 percent of Brazil's oil imports. Similar success was not encountered with Shell, Esso and Atlantique, whom Petrobras tried to convince to resume the supply of crude oil which they had regularly provided a few years ago. These enterprises have most of their stock committed to their own subsidiaries and whatever is left over is used to supply their traditional buyers. [Text] [PY051201 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 5 Dec 79 PY]

FIGUEIREDO INAUGURATES PLANT--President Joao Baptista Figueiredo inaugurated today in Florianopolis, Santa Catarina, a pilot plant to generate gas from the breakdown of animal manure. The plant, which produces 10 cubic meters of gas per day, is intended for farm use, and it is the prototype for a program to install 21,000 similar units in the rural area of the state. The gas so produced can drive two generators of 1.7 and 3.6 kw at the same time, enough to supply the electricity needs of five families. [Rio de Janeiro O GLOBO in Portuguese 30 Nov 79 p 30 PY]

NICARAGUAN MISSIONS--Brasilia (O GLOBO)--The first of four Nicaraguan missions which will visit Brazil by the end of January will arrive here tomorrow. They will seek to conclude agreements on economic and administrative cooperation. By decision of the Nicaraguan junta, Brazil will have a leading role in rebuilding Nicaragua through approximately 20 bilateral projects, which include a yet undetermined amount of credit. [Rio de Janeiro O GLOBO in Portuguese 3 Dec 79 p 13 PY]

NOSE CONE RECOVERY FAILS--A failure in the opening device of a parachute precluded the recovery, attempted for the first time in Brazil, of the nose cone of the Sonda II rocket which had been launched from Barreiro do Inferno. The Sonda II reached an altitude of 52.6 kms, 19 kms less than the estimated altitude of 72 kms. [Text] [PY051125 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 5 Dec 79 PY]

PLANNED PLO OFFICE PROTESTED--Sao Paulo, 5 Dec (AFP)--Approximately 200 young people of Jewish origin demonstrated last night in Sao Paulo against the proposed opening of a PLO office in Brasilia. Wearing the traditional yarmulke, the demonstrators carried placards which read: "The PLO, an organization for the extermination of peace" and "Jews and Arabs, harmonious coexistence threatened in Brazil." It was recalled that both the Arab and

Jewish communities are very large in Brazil. During the demonstrations pamphlets were distributed accusing the PLO of seeking to make Brazil a terrorist bridgehead in Latin America. The demonstration concluded with the prayer for the dead (Kadish), which was said in front of the Good Retreat synagogue. [Text] [PY051452 Paris AFP in Spanish 1432 GMT 5 Dec 79 PY]

CURITIBA BRICKLAYERS ARRESTED--Civil and military police personnel violently repressed a demonstration staged yesterday in Curitiba by 6,000 bricklayers--who have been on strike for 8 days--arresting 100 workers and injuring 10. The demonstration was instigated by opposition Councilman Ivan Ribas. [Rio de Janeiro JORNAL DO BRASIL in Portuguese 28 Nov 79 p 1 PY]

CSO: 3001

CHILE

BRIEFS

MARXIST GROUP'S REPORT REJECTED--Official sources have flatly denied that the so-called "First Seminar for Youth Rights" was organized or sponsored by international organizations under the United Nations. The statement was made due to a report spread from Rome by a Marxist cover organization called "Democratic Chile" because the Chilean Government banned entry into the country of Italian activists Roberto Gersoli and Ernesto Ottone. The "seminar" was prepared by sectors of the former Christian Democracy which invited some European political representatives. The report released in Rome stated that the Chilean Government banned entry into the country of "a delegation which was to participate in a consultative meeting of the Economic Mission for Latin America," which is absolutely false. [Text] [PY081536 Santiago Diplomatic Information Service in Spanish 0350 GMT 8 Dec 79 PY]

AIRFIELD IN ANTARCTIC--Santiago, Chile, 7 Dec (LATIN)--The Chilean Air Force reported today that the construction of an airfield which will allow the operation of the giant Hercules-type planes has begun at the Presidente Frei base in the antarctic. The airfield is located about 2 kilometers from the Soviet base which is being established on King George Island. The first stretch of about 400 meters will be finished in March permitting medium-sized planes to operate, and it is also planned to build another, alternate landing strip in a perpendicular direction, since the strong winds of the region often change direction suddenly. [Text] [PY101135 Buenos Aires LATIN in Spanish 2118 GMT 7 Dec 79 PY]

ANTARCTIC METEOROLOGICAL DATA--A Chilean antarctic base will coordinate all the meteorological data on the antarctic. This data will serve as reference material for international sea and air navigation and also for scientific use. The center of operations has been installed with modern equipment at the Presidente Frei base on King George Island, which is managed by Chilean Air Force personnel. This base will receive meteorological data from U.S., Argentine, UK, USSR and Polish bases in the antarctic. This data will be augmented by additional information supplied by Chilean personnel. It will then be broadcast to the Pudahuel weather station and from there to Washington. Capt (Luis Silpi) is the director of this international weather center. [PY101135 Santiago Domestic Service in Spanish 1630 GMT 7 Dec 79 PY]

OIL DRILLING PLATFORM--A second oil drilling platform went into operation in the Magellan Straits today. It is expected that the production volume will thus be increased by one-third over the current level. [PY101135 Santiago Domestic Service in Spanish 2300 GMT 6 Dec 79 PY]

INDUSTRIAL PRODUCTION INCREASE--According to the SOFOFA, the industrial development association, the nation's industrial production between January and October 1979 increased by 9 percent and sales by 9.3 percent in comparison to the same period last year. The SOFOFA adds that in September industrial production increased by 12.4 percent and sales by 16.6 percent in comparison to the same month in 1978. The sector which registered the greatest increase was that of manufactured products. [PY101135 Santiago Domestic Service in Spanish 1630 GMT 6 Dec 79 PY]

CSO: 3010

AGRARIAN FUND OFFICE ATTACKED BY GUERRILLAS

PA110349 Bogota Cadena Radial Super in Spanish 2330 GMT 10 Dec 79 PA

[Text] This is (Ever Rincon) reporting from La Voz Del Llano [station in Villavicencio, Meta Department]

Two bank robbers and one other person were killed and another was wounded during a clash this afternoon between the National Police and army troops, and six criminals who had attacked the agrarian fund office in Vista Hermosa and made off with 1,832,000 pesos.

One revolver and an M-2 carbine with 13 rounds of ammunition were found next to the criminals' bodies. The police reported that the criminals fell at the place known as Puerto Triste and only one has been identified. His name is Fabio Flores Morales. The second did not carry documents and remains unidentified.

The other person who died in the clash and who had been collaborating with the authorities in the pursuit of the attackers was identified as (Gratuniano) Buitrago Sanchez. He was driving a Nissan automobile which he owned.

It was also reported to this station that over 30 guerrillas participated in the clash. They joined the six fleeing attackers. The wounded man is Mr (Mesias) Acevedo, who, when he discovered that the attackers were assaulting the agrarian fund office in Vista Hermosa, began shooting to stop the crime. Mr Mesias Acevedo is now in one of the clinics of the capital of the republic in critical condition.

The police told this station that the attackers left behind the sum of 900,000 pesos which they were unable to take.

Combined army and police patrols are at this time in (Tigalito) making efforts to pursue and capture the guerrillas who number more than 40. It is believed that a clash will soon occur [and] the criminals will be killed. The police are completely organized for putting an end to these guerrilla groups that have appeared in the town of (Arena) in Vista Hermosa.

COLOMBIA

BRIEFS

KILLING OF PEASANTS--Bogota, 6 Dec (LATIN)--A group of guerrillas of the self-styled revolutionary armed forces of Colombia killed seven peasants and wounded two others in Vista Hermosa, some 250 km south of Bogota, the press reported today quoting official sources. The pro-Soviet guerrillas fled after the attack and took two farmowners as hostages. [PA081505 Buenos Aires LATIN in Spanish 0207 GMT 7 Dec 79 PA]

GUERRILLAS KILLED--Bogota--The bodies of brothers Leon and Jesus Quintero have been found in an advanced state of decomposition at La Esperanza farm, Gundinamarca Department. It is believed they were executed for trying to desert the guerrilla group. [PA071438 Bogota Cadena Radial Super in Spanish 2330 GMT 6 Dec 79 PA]

GUERRILLAS KILLED IN ACTION--Neiva--Two members of the Peoples Liberation Army were killed today by troops in the San Agustín jurisdiction. They were identified as a young woman known as "Teresa" and a 30-year-old man known as "Dario." Defense Ministry spokesmen reported the two were killed in clashes in the Argentina and Frutal communities. Teresa and Dario were members of the group that ambushed a military patrol last week and killed a noncommissioned officer and three soldiers. [PA071438 Bogota Cadena Radial Super in Spanish 2330 GMT 6 Dec 79 PA]

FINANCE MINISTRY GROUNDS BOMBED--Unidentified individuals have thrown several homemade bombs inside the Finance Ministry parking lot and workshop. However, the quick action of the fire department saved the automobiles. The homemade bombs were thrown into building No 5-53, on Eighth Avenue in Bogota. Only one vehicle, bearing license plate No 4365, was burned. The fire department and the ministry's guards quickly controlled the situation. No one has been arrested yet in connection with this terrorist action, but it was reported that the military is conducting an investigation. [Text] [PA061551 Bogota Cadena Radial Super in Spanish 1100 GMT 6 Dec 79 PA]

WAGE INCREASE GRANTED--Bogota, 8 Dec (AFP)--The Colombian Government issued a decree today increasing the wages of 615,000 government workers between 26 and 28 percent. The increase will take effect in January 1980. It was not well-received by workers who, through their labor federation, said it does not fully satisfy all their aspirations. The government explained that the increase granted is equivalent to the increase in the cost of living in Colombia through the end of the year, which amounted to 26.7 percent at the end of November. However, the government workers said the cost of living increased 30 percent and the increase approved does not satisfy the real needs of the workers. The Federation of Government Workers said today that the family basket [canasta familiar] costs \$625 in Colombia. Therefore, the wage increase means nothing if the government does not adopt price and tariff controls on essential goods and services. Meanwhile, the government has called for a meeting on Monday of the National Wage Council composed of workers, businessmen and government representatives to discuss increasing the minimum wage. The current minimum wage is \$90 per month for urban areas and according to the labor centrals this is insufficient due to the inflationary spiral. Congress granted the executive branch special power to give the government workers the wage increase. [Text] [PA091734 Paris AFP in Spanish 1602 GMT 8 Dec 79 PA]

CSO: 3010

CUBA

ALBANIAN LEADERS RECEIVE CASTRO GREETINGS

AU071450 Tirana ZERI I POPULLIT in Albanian 2 Dec 79 p 3 AU

[Greetings message from Fidel Castro Ruz, president of the Councils of State and Ministers of the Republic of Cuba, to Haxhi Lleshi, chairman of the Presidium of the Assembly of the People's Socialist Republic of Albania, and Mehmet Shehu, chairman of the Council of Ministers of the People's Republic of Albania on the 35th anniversary of Albania's liberation]

[Text] To Mr Haxhi Lleshi, chairman of the Presidium of the People's Assembly of the People's Socialist Republic of Albania; and Mr Mehmet Shehu, chairman of the Council of Ministers of the People's Socialist Republic of Albania--Tirana.

On the occasion of the 35th anniversary of the liberation of the People's Socialist Republic of Albania, it is my pleasure to convey to you on behalf of the people and government of the Republic of Cuba, our cordial greetings.

On this very memorable day, we express our wishes for the well-being and happiness of your people and the prosperity of the People's Socialist Republic of Albania.

[Signed] Fidel Castro Ruz, chairman of the Councils of State and Ministers of the Republic of Cuba.

Havana, on 22 November 1979.

CSO: 3010

FAO PLANT HEALTH COMMITTEE MEETING HELD IN HAVANA

Health Meeting Held

FL102034 Havana Domestic Service in Spanish 1917 GMT 10 Dec 79 FL

[Text] The sixth meeting of the Executive Committee of the Plant Health Committee for the Caribbean sponsored by the UN Food and Agriculture Organization (FAO) has opened at the Habana Libre Hotel in Havana.

The UN international organization is represented by (Al Brown), technical secretary of the FAO committee; (Virgilio Mayor), undersecretary of agriculture of the Dominican Republic; and (Eligio Hiches), director of plant health of the Dominican Republic.

Girardo Cartaya, Jose de la Paz, Alexis Hernandez and Pedro Abreu are participating in the meeting as representatives of the Cuban Agriculture Ministry's Plant Health Institute and Directorate General.

The sixth meeting of the Executive Committee of the Plant Health Committee for the Caribbean will end on Wednesday.

The working agenda of this meeting that opened in Havana today includes many matters of great economic interest for the Caribbean. The subjects to be examined include an action program that will be implemented to eradicate and control certain possible diseases and the drafting of an information plan on such diseases.

The meeting also will deal with current problems and significance of plant diseases in the Caribbean such as sugarcane smut and rust, African bees, coffee weevils and coffee plant rust. Other plagues and diseases that will be dealt with at the FAO committee meeting include the (ticudo) of the avocado and mango seed and the coconut scarus (acaros).

Training Suggested at Meeting

FL110035 Havana Domestic Service in Spanish 0000 GMT 11 Dec 79 FL

[Text] The sixth meeting of the Executive Committee of the FAO Plant Health Committee for the Caribbean opened today at the Habana Libre Hotel in Havana.

During debates it was agreed to suggest greater integration of Caribbean countries in the struggle against and research on diseases that affect crops. The holding of a Caribbean plant health congress was suggested by the delegation of the Dominican Republic which offered its country to host the congress. The creation of mechanisms for the exchange of information and technical assistance among member countries was called for at the meeting. It was also suggested that a regional research and training center be established to protect crops, introduce new resistant varieties and train personnel with the knowledge necessary for this important plant health work which affects the efficiency of farm production in the Caribbean.

CSO: 3010

ECONOMIC DEVELOPMENTS: THEFTS, INCOMPETENCY, GASOLINE FRAUD

Cigar, Cigarette Theft

Havana TRABAJADORES in Spanish 9 Oct 79 p 3

[Article by Lazaro Bravo]

[Text] The Criminal Chamber of the People's Court of Havana City Province imposed a 12-year prison sentence on Rolando Lara Garcia and a 1-year sentence on Ruben Cordoba Ramon and Reinaldo Fabelo Reyna for breaking and entering, robbery and complicity in connection with an attack on the Latin American Cafeteria in La Lisa.

Lara Garcia, Cordoba Ramon and Rene Espinosa Gomez, acting together, went to the aforementioned place of business and after forcing their way in, stole 54 cartons [ruedas: contain 200 cigarettes or 100 cigars each] of cigarettes and cigars worth 2,123 pesos.

Later, traveling in a minibus belonging to the government, they went to the home of Reinaldo Fabelo Reyna in Jaimanitas. Despite his knowledge of the illegal origin of the cigarettes, Fabelo Reyna retained possession of them. Of the initial quantity, the PNR [National Revolutionary Police] later found 47 cartons and several loose packs.

In passing judgment, the court took into account the ages of the defendants and the fact that none had any previous record.

The 12-year sentence for Rolando Garcia and the 1-year sentence for Reinaldo Fabelo [as published] were appealed to the People's Supreme Court, which upheld them, stating that there were no grounds for the appeals, inasmuch as the prosecution already had proof of the defendants' participation in the crime, who had received the stolen goods and who was found to be in possession of the goods.

Worker, Management Discipline Problem

Havana TRABAJADORES in Spanish 11 Oct 79 p 1

[Article by Rogelio Vallori]

[Text] The Transportation Workers Union held a National Committee meeting to analyze compliance with the resolutions of the Eighth Plenary Session of the Central Committee, which was presided over by Jorge Risquet, member of the Central Committee Secretariat.

Those attending the meeting learned of the removal of enterprise directors and unit administrators in some provinces in the country and the strengthening and election of bureaus, trade union sections and labor councils.

The activity of the Transportation Workers Union since the resolutions of the Eighth Plenary Session and the pronouncements of Commander in Chief Fidel Castro at the National People's Government Assembly has resulted in the adoption of a series of measures aimed at restoring labor discipline in the sector.

In Santiago de Cuba, 697 dossiers of the labor councils that had been on file were reviewed and 400 were solved. In the Railroad Enterprise alone in the province, 300 dossiers were on file.

At the meeting, a number of administrators of taxi stations were reported for having taken the taxi signs off the automobiles and painting them so they might be used for administrative functions, at the expense of the public.

Another topic discussed was the utilization of passenger buses for general hauling, despite the fact that all of the provinces have a certain number of buses assigned for this type of service. This reduces the possibility of carrying the daily passengers, who must wait much longer at the crowded terminals.

Alfredo Suarez, secretary general of the National Transportation Workers Union, summed up the work done and hailed the results of work on the labor council dossiers, the strengthening and election of new councils and matters of labor discipline.

He went on to say that with the establishment of the disciplinary regulations for urban buses soon to be put into effect, the regulations for railroads, work on which is underway, and regulations for the other branches of transportation, labor discipline in the sector should improve.

Suarez criticized the attitude of certain administrators who do not lend the necessary support for emulation. He said that some officials want to establish night shifts without providing workers with minimum working conditions such as places to eat and clean up, adequate lighting, and so on.

Finally, he appealed to transportation workers to do their best on the coming sugar harvest, the backbone of all economic activities in the country.

Inefficient Stockpiling of Paint

Havana TRABAJADORES in Spanish 11 Oct 79 p 3

[Article by Rebeca Antunez]

[Text] At the Havana Paint Enterprise, over 300,000 gallons of paint are now stored, despite the country's pressing needs.

This volume of paint, which corresponds to a little over a month's production, exceeds the storage levels of the enterprise's five plants.

If the paint is not taken out in the coming days, three of the plants will have to halt their production, meaning that paint workers will not be able to meet their production plan, which is seriously behind.

The enterprise collective has pledged to put out the 15.43 million liters established by its annual plan. In order to do so, it must put over 7 million liters in only 4 months.

However, this effort must be met by an equal effort to pick up the finished product so as not to overcrowd storage facilities.

At the present time, the warehouses for finished products and those used for raw materials are bulging with gallons, cans and barrels of paint.

If all the raw materials are received for production in the final months of the year, they will not be able to be stored in the designated areas.

According to officials from the production enterprise, responsibility for pickup lies with the Technical Material Supply Committee.

The Supply Committee must coordinate its work with the Ministry of Transport so that the latter may make pickups at the paint plants.

Due to the failure to relieve the situation in the Paint Enterprise, the State Supply Committee will begin to send its own trucks to distribute the merchandise in all provinces except La Habana and Ciudad de La Habana.

Discipline Problems in Fleet

Havana TRABAJADORES in Spanish 11 Oct 79 p 4

[Article by Alberto Cardenas]

[Text] In the restless waters of the Yucatan Shelf, in the very fishing areas, assemblies were held in six Lambda flotillas and on the steel boat

"Arroyo de Mantua" to analyze compliance with the resolutions of the Secretariat of the Central Committee on fishing, support for the proposals of the Eighth Plenary Session and for the fight against deficiencies and all manifestations of idleness and disorganization that have affected this important branch of the national economy in the Gulf Fleet.

All of the meetings, held at night after all the trotlines of the 18 launches in each flotilla were brought in, were characterized by the courage and honesty of the critical and self-critical proposals of the fishermen and representatives of the party, the UJC [Union of Young Communists] and the trade union which presided over them.

For some time, problems had already been detected in the organization and production operation of the establishment, whose seasons for giant perch and porgy for hospitals, nurseries and some surplus for export fluctuate between 30 and 60 days.

These seasons were generally headed by the Fonia crews, but without an on-the-spot evaluation, amidst actual working conditions, of all the aspects that led to a relaxation of organization and lack of discipline, which affected the prestige of the fleet and its men, who never waived or yielded in the face of the many threats, acts of aggression and kidnappings of which they were the victims at the hands of the enemies of the revolution, trained, paid and directed by American imperialism.

The meetings were usually held at 8:00 in the evening, after a voyage of hundreds of miles on the waters of the Gulf, going from one flotilla to another for 9 days.

The natural fatigue of the men, who begin their work before sunup and continue until sundown, was well hidden and transformed into revolutionary fervor, with critical and self-critical proposals, without fear of admitting errors or of pointing out those who maintained negative attitudes.

They wanted everything necessary to be said, as expressed by one young man 18 years old, Oscar Jimenez: "I have only been with the fleet for eight or nine months. I like the work. I am young and have been here only a short time, but some people do not set a good example with their attitude. That is why I think that with respect to those who do not show up to go out fishing -- usually the same ones who do not do the best work when they are here -- harsh measures should be taken because this is against the people. The fish do not reach the hospitals and nurseries and we have none left over to export for the foreign exchange we need."

One bare-chested, suntanned man said: "Some people ask for one thing after another. That is fine; there are things we do need, but if we are going to demand things, first we have to be demanding of ourselves. Here the standard is seven trotlines. There are men who work hard and pull in up to ten a day, but many shirkers never bring in over three or four and some do even worse!"

At the meeting with these fishermen, the presiding officer was Luis Flores, head of the fishing section of the party's provincial committee in Ciudad de La Habana, and Jose Manuel Crespo, new director of the Gulf Fleet, as well as party leaders from Regla, the party committee, the trade union bureau, the Fleet UJC, and the provincial trade union.

At the meetings, the weak political and trade union work was stressed and it was shown that the basic cause of all the problems analyzed was the failure to comply with what was established by the resolutions of the Central Committee Secretariat on fishing.

This was only further confirmed by the agreement between matters brought up and the resolutions of the Secretariat, such as: maintaining set crews and rank-and-file organizations; attention to crews; proper operation of emulation with all regard for the rules, instead of the rather spontaneous, halfway emulation in which the fishermen with the best catch of the week or the cook who prepares some treat or an extra dish is a vanguard worker. What is needed is red-hot emulation.

Nor are the assemblies held when the flotillas leave and come in, resulting from a mere lack of coordination and organization. Such assemblies are of extreme importance. When the flotilla leaves, it is necessary to see whether everything is in order: personnel, general supplies such as food, gasoline, water, ice and optimum sailing conditions for the vessel, along with other matters of interest. When the boats come in, it is necessary to analyze, in the presence of all factors, the results of the season in order to learn all difficulties and take the pertinent measures.

The placing of a teacher in each fleet is being proposed because of concern over cultural advancement.

Another concern of the men who must remain far from their homes for 30 or 60 days is the lack of information about national and international events. They receive no newspapers and many said that they learned of the victory of the Sandinists from a Mexican boat that passed nearby. Most of the radios are broken down and when they operate, foreign broadcasts are mainly heard. It was therefore decided to provide the men with the desired newspapers and periodicals and political materials.

Due to the accumulation of experiences provided by the assemblies, the director of the fleet, Comrade Crespo, proposed the scheduling and regular planning of visits to fishing areas by all administrative officials from the establishment, which work union leaders are willing to do.

All proposals and concerns were noted by the comrades representing the different facets of leadership so that work on them might begin immediately, based on the organized reinforcement of the fleet and compliance with the resolutions of the Secretariat of the Central Committee on fishing.

Gasoline Fraud in Havana

Lima CORREO in Spanish 16 Nov 79 p 15

[Text] Havana, 15 Nov (AFP)--A major scandal involving the illegal handling of 10,000 tons of gasoline in 1977 by service station managers and distributors in La Habana was reported today by the daily TRABAJADORES, spokesman for the CTC (Central Organization of Cuban Trade Unions).

The People's Court of Havana Province has asked for prison sentences ranging from 15 to 20 years for the authors of the crime. They were arrested in January 1978 after pocketing 900,000 pesos (\$1.23 million).

In what was an unusual report in the Cuban press, the front page of TRABAJADORES carried a detailed description of the maneuver. Newspaper editors emphasized "the need to publish certain cases as examples so that the people will understand that in a society of workers, there is no place for crime or criminals."

The ring included 20 men and 3 women and was headed by the commercial director of the group of service stations in the capital.

The system followed was very simple. It consisted of selling gasoline coupons that were already used to customers several times over.

11,464

CSO: 3010

BATTLE AGAINST WORKER ABSENTEEISM, INEFFICIENCY WAGED

Paris LE MONDE in French 6 Nov 79 p 6

[Text] Havana (AFP) --Twenty years after the victory of the revolution Cuba appears to have decided to undertake--at the highest level--a campaign against bureaucracy and the "favorites" of the regime, as a consequence of the "shortcomings" of socialism that have been disclosed by the leadership.

The bitter invective hurled last Sunday 4 November by Raul Castro, minister of the armed forces and number two man in the regime, at those leaders who he said are "more concerned with protecting their jobs than with placing themselves at the service of the people" has become the object of impassioned commentary and appears to have "kicked off" a renewed campaign to call into question a large number of "negligent" cadres both on the political and on the administrative level.

No decision has been announced, but Raul Castro has let it be understood--after severely criticizing "the irresponsibility, the indulgence, the lack of discipline, the laxity, the cronyism, and the domesticity of certain labor unions"--that "measures" are under study with a view to dealing with "those problems whose solution is contingent on more effective action by the party, the state entities, the labor movement and the communist youth movement."

Speaking last July before the National Assembly, Fidel Castro had already voiced his annoyance at the shortcomings of the service sector and had refused to ascribe the problems encountered by Cuba this year in national planning solely to the so-called "objective" causes: the world economic crisis, the trade embargo imposed by the United States, and the bad weather.

Both by the leadership and in the press, criticism has been directed at the disdain of restaurateurs for the public, who are compelled to stand in long lines when most of the tables are empty; the capricious passage of the buses; the deficiencies of the railroad, which is said to have been "more efficient under capitalism"; and the excessive bureaucracy that prevails even in the agricultural sector, where some farms have more white-collar personnel than they have workers.

"We cannot allow ourselves the luxury of viewing such irregularities as unavoidable," Raul Castro emphasized. The anti-indolence law, decreed approximately 10 years ago, has never achieved the anticipated results, judging from the criticism expressed by the chief of state's brother against those who he says have "interpreted liberation from exploitation as liberation from work and are inculcating in their children an appetite for the superfluous products of the consumption-oriented societies."

In an effort to improve productivity Cuba has, in recent years, attempted to apply the principle "to each according to his labor" by encouraging the managers of the enterprises to extend to all workers the system of paying wages on the basis of output. The failure of this effort, however, was recently revealed by the weekly BOHEMIA, according to which only one-fifth of all Cubans are affected by this measure. Raul Castro undoubtedly was alluding to this fact when he spoke of the "immobilism" that exists among the cadres of the administrative and party apparatus. Moreover, his admitted doubts as to the genuine conscientiousness of individual Cubans (including even cabinet ministers and party leaders) "with respect to their obligations" assuredly presages "concrete action" during the coming weeks.

The "last 400" of the 3,600 Cuban "counterrevolutionaries" were set free on Saturday 3 November, according to an announcement broadcast on Cuban television. Some 600 prisoners--considered to be war criminals because of their activities under the former Batista regime--are still incarcerated, the broadcast added. The decision to free 3,600 Cuban political prisoners was made on 23 November 1978 by Fidel Castro.

10992

CSG: 3100

NEW BOOK ON CUBAN REVOLUTION PUBLISHED IN PARIS

Paris L'HUMANITE In French 18 Oct 79 p 10

[Review by France Ferrie of the book "Cuba" by Andre and Francine Demichel, professors at University of Lyons II. ed. Librairie generale de droit et de jurisprudence, R. Pichon and R. Durand-Auzias, 20-24 Rue Soufflot, 75005 Paris, in the series "How They Are Governed," 145 francs]

[Text] One year ago the only country building socialism on Latin American soil, in the immediate vicinity of the most imperialist state in the world at that, was celebrating its 20th anniversary of the revolution.

Favorable, wistful, enthusiastic, venomous, fierce, or restrained comments were added to the innumerable positions and views which, expressed in articles, essays, testimonies, and thick or thin volumes have piled up ever since the famous entry of the rebel army into Havana, on 1 January 1959. The reader faced an embarrassment of choices. Therefore, perplexed in the face of the multiplicity of titles and the frequently partial and prejudiced nature of such studies, he lacked points of reference. This inconvenience no longer exists thanks to a remarkable labor of reflection and synthesis which has assumed its place not only in the libraries of researchers and political experts but of anyone eager to understand the great moments which have shaken up the world and our century.

In effect, it is a question of a true summation which provides a study in their totality of the elements of the specific nature of Cuba within the socialist world, of the "Cuban revolutionary tree," as Jose Marti used to say. This covers geography, history, economics, ideology, politics, etc. This is also a clarification of the way in which Marxist dialectical principles were and are applied to a specific situation. What is even more noteworthy, "is that the application of such systems was never determined in advance. Nor was it a gift from Heaven. It was the accomplishment of people who, using their own logic, came to Marxism because it alone enabled them to complete their project." This firmly constructed work provides us with the ins and outs of this strange undertaking, covering 400 pages, and

whose three sections* far from being crabbed have been written in a pleasant, concise and clear style.

Critical Spirit

Any of the questions raised directs us, for greater details, to a very extensive bibliography which the authors, if necessary, do not shy from criticizing. In the final account, it is that particular critical spirit, both in terms of the Cuban revolutionary process and the various interpretations to which it lends itself, that captivates and fascinates us. There is no tendency to engage in a blind praise, and thorny subjects are openly faced, whether dealing with relations between the communist party and the other social institutions, the forms of democracy after the 1976 institutionalization, criticism of the "maximum leader," specific actions in the field of international solidarity, or worrisome phenomena of current social life (absenteeism, "machismo," delinquency), whose presence proves that "the new man" is not molded as easily or quickly as some might have thought. Having said this, let us emphasize that, starting with the very introduction, we are not offered an approach to the reality of Cuban socialism through a Western "screen" but "on the basis of its own theoretical principles and development conditions." That is yet another major merit of this work at a time when a segment of the French press is pouring the slobberings of reactionary scribblers properly disguised as apostles of freedom. What Andre and Francine Demichel have stated applies to anyone who has eyes which do not see: "Despite all the many imperfections, Cuban socialism is the system not of a class or a group but of an entire people. Had this not been profoundly true, the only way to discuss this system, 20 years later, would have been in the past tense."

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- * I. The fact: Cuba, socialist state. II. The origins: socialism without model. III. The import: moral socialism? Appendix: Constitution of the Republic of Cuba, and the Childhood and Youth Code.

5157

CSO: 3100

BRIEFS

CASTRO CONGRATULATES DOS SANTOS--Angolan President Eduardo dos Santos has received a congratulations message from Commander in Chief Fidel Castro on the occasion of the 23d anniversary of the MPLA. In his message Fidel expresses his confidence that the Angolan people, under the direction of the MPLA-Labor Party, will continue on the path set out by its founder, the deceased President Agostinho Neto, who he called the unforgettable guide of that African people. [Text] [FL111122 Havana Domestic Service in Spanish 1100 GMT 11 Dec 79 FL]

PRETORIA BLAMED FOR NAMIBIA SITUATION--At the United Nations Cuba has stated that the racists of Pretoria and its allies are those truly responsible for the fact that there has not been a peaceful and negotiated settlement in Namibia. In speaking at the General Assembly which is dealing with the Namibia question Cuban Ambassador Raul Roa Kouri stated that this affirmation proclaimed at the General Assembly and the Security Council by my delegation has been corroborated just a few days ago by the results of the talks held in Geneva. Roa Kouri said it was intolerable that the South African regime is trying to impose the presence of its puppets in meetings discussing the UN plan for Namibia. And he added that this only undermines the SWAPO's position. [Text] [FL111228 Havana Domestic Service in Spanish 1100 GMT 11 Dec 79 FL]

ACCORD WITH GDR UNIVERSITY--A work agreement for scientific cooperation in 1980 between the University of Oriente and the GDR's Technical University of Dresden has been signed at the House of Friendship with Peoples in Santiago de Cuba. The agreement states that the two universities will exchange information on conferences as well as publications, and that the Dresden university will be invited to participate in a Cuban national conference on chemistry. The GDR university will offer assistance to University of Oriente candidates for degrees in chemistry and will contribute to the scientific training of other professionals. [FL081452 Havana Domestic Service in Spanish 1436 GMT 8 Dec 79 FL]

PUBLISHING MEETING IN HUNGARY--Today Cuba reported to the socialist countries literary magazines editors annual conference on the extensive task of the magazine UNION, organ of the National Union of Cuban Writers and Artists (UNEAC), on reporting on Eastern Europe. The writer Joaquin G. Santana, Cuban delegate to the meeting, condemned the systematic nonreporting the United States has imposed on the countries in the Western Hemisphere. The writer Santana participated in the final session of the literary magazine editors and gave an extensive report on Cuban culture and thanked Hungary, the host country, for the cordial reception. The Cuban representative will tour the eastern provinces of Hungary in response to an invitation from the Hungarian Writers Union. [FL072039 Havana Domestic Service in Spanish 1913 GMT 7 Dec 79 FL]

FEEM NATIONAL MEETING--The 1980 graduating class will be a worthy salute by mid-level students to the PCC Second Congress. This was stated in the final resolution which the delegates of the Federation of Intermediate Level Students (FEEM) fifth national meeting will send to Commander in Chief Fidel Castro. The meeting was closed at the Garcia Lorca Theater by Antonio Perez Herrero, member of the PCC Secretariat. The final resolution also states that during the present school term the quality of the merit and demerit assemblies should be improved. These assemblies are the culmination of the political process of student meetings on total education. In his closing remarks Antonio Perez Herrero stressed that over the 9 years since its establishment the FEEM has been able to accumulate valuable experiences dealing with the most adequate methods and style of work in orienting the student body. The closing ceremony of the FEEM fifth national meeting was presided over by Luis Orlando Dominguez, member of the PCC Central Committee and first secretary of the Union of Young Communists (UJC), vice ministers of education Raul Ferrer and Elisa Wong and the parents of the martyr Manuel Ascunce Domenech. [Text] [FL101244 Havana Domestic Service in Spanish 1100 GMT 10 Dec 79 FL]

ANNIVERSARY OF MACEO'S DEATH--Havana Domestic Service in Spanish at 1500 GMT on 7 December carries live coverage of a military ceremony being held at El Cacahual Mausoleum, Havana Province, to mark the 83d anniversary of the death in combat of Gen Antonio Maceo Y Grajales and his aide, Capt Francisco Gomez Toro, as well as in homage to all those who fell fighting against Spanish colonial domination. The ceremony is presided over by PCC Politburo member Pedro Miret Prieto, Central Committee members, government officials, leaders of mass and political organizations and officers of the revolutionary armed forces. Brigadier General Victor Schueg Colas delivers a 21-minute eulogy of Gen Antonio Maceo. A military parade follows with ground troops and students from military schools. [Editorial Report FL]

MACEO HONORED IN JAMAICA--Kingston--The personnel at the Cuban mission accredited to Jamaica today honored Lt Gen Antonio Maceo on the 84th anniversary of his fall in combat. A floral wreath was laid at the statue of the hero and father of Cuban independence, which stands in Jamaica's National Heroes Park located in the lower part of the capital. The commemoration ceremony was attended by the members of the Cuban internationalist construction workers and doctors brigades who are providing aid to the Jamaican people and Cuban Embassy officials. [FL072333 Havana Domestic Service in Spanish 2230 GMT 7 Dec 79 FL]

DATA PROCESSING MEETING--An agreement on principal work guidelines for the next 5-year period [1981-1985] has been the most important result of the sixth session of the Council on Complex Technical Services of the Socialist Countries' Intergovernmental Data Processing Committee. The final protocol of the session was signed yesterday, Friday. Agreements reached on the organization of spare parts supply for data processing equipment also were important. Delegations from Bulgaria, Hungary, GDR, Poland, Romania, Soviet Union, Czechoslovakia and Cuba attended the council's sixth session which had opened Tuesday at the Atlantico Hotel in Santa Maria Del Mar. During the closing day of the session held yesterday, Friday, the Cuban delegation signed a working plan with the GDR for 1980 bilateral cooperation, as well as a technical services cooperation agreement with Czechoslovakia. [Text] [FL081327 Havana Domestic Service in Spanish 1200 GMT 8 Dec 79 FL]

SOVIET INTERNATIONALIST SOLDIER HOMAGE--The Soviet delegation to the second Cuban-Soviet youth friendship festival today laid a floral wreath at the mausoleum to the Soviet internationalist soldier on the outskirts of Havana. Luis Orlando Dominguez, member of the party Central Committee and first secretary of the Union of Young Communists; and Dimitriy Filippov, secretary of the USSR Leninist Komsomol Central Committee, presided over the ceremony along with Yuriy Romanenko, hero of the Soviet Union and cosmonaut. The second Cuban-Soviet youth friendship festival opened last Monday at the mausoleum to the martyrs of the Frank Pais Second Front and concluded Saturday. [Excerpt] [FL102037 Havana Domestic Service in Spanish 1902 GMT 10 Dec 79 FL]

BELGIAN EQUIPMENT DONATION--As a result of a cooperation agreement, Belgium has donated to Cuba equipment, machinery and tools valued at 1.5 million pesos to be used at six technological institutes of the iron and steel sector. The document [as heard] was signed in Havana by Hector Rodriguez Llompert, minister-president of the State Committee for Economic Cooperation; and Belgian Ambassador to Cuba Marcel Van Bellinghen. The equipment should arrive in our country in January and it includes automotive mechanics and welding shops. [FL102037 Havana Domestic Service in Spanish 1914 GMT 10 Dec 79 FL]

ALGERIAN DELEGATION VISITS--The Algerian minister accompanied by Marcelo Fernandez Font, Cuban minister of foreign trade, visited the Valles de Picadura livestock breeding farm where they were welcomed by Ramon Castro, the director. On his tour of this farm, the visitor was interested in the micro-dam system and visited the dam in the district of Valle de Elena, in the agricultural and livestock enterprise located east of Havana. [Excerpt] [FL062336 Havana Domestic Service in Spanish 2330 GMT 6 Dec 79 FL]

FARMING COOPERATIVES--A total of 697 agricultural and livestock production cooperatives have been formed nationally as of 30 November 1979. These cooperatives cover an area of 7,833 caballerias with a total of 16,470 members of whom 34 percent are women. The average per cooperative is 23 members and 11.6 caballerias. A total of 337 agricultural and livestock production cooperatives have been formed this year alone or 107 more than the total achieved last year. The National Association of Small Farmers' commitment to create 518 cooperatives from May to December of this year is 59 percent fulfilled. [Excerpt] [FL081850 Havana Domestic Television Service in Spanish 1800 GMT 8 Dec 79 FL]

ANAP-CSSR PEASANTS MEET--The delegation of the National Association of Small Farmers [ANAP] headed by its president Jose Ramirez Cruz yesterday met with Pavol Jonas and Julius Varga, leaders of Czechoslovak cooperative farmers. During the meeting Ramirez Cruz and Pavol Jonas, who also is a member of the Federal Assembly, briefed each other on the work and experiences of the cooperative sector of the two countries and expressed satisfaction over the successful development of bilateral cooperation. The Cuban delegation was also received by Julius Varga, member of the Czechoslovak Communist Party Central Committee and chief of its agricultural department. [Text] [FL071207 Havana Domestic Service in Spanish 1100 GMT 7 Dec 79 FL]

ANAP PRESIDENT RETURNS--Today Jose Ramirez Cruz, member of the PCC Central Committee and president of the National Association of Small Farmers [ANAP], returned to Cuba after completing a visit to the fraternal Czechoslovakian republic. The Cuban delegation also visited the USSR, Bulgaria, Hungary, Romania and the GDR, where they met with leaders of the agriculture and cooperative associations of those countries. [Text] [FL080051 Havana Domestic Service in Spanish 0000 GMT 8 Dec 79 FL]

IRAQI OFFICIAL HONORS MARTI--This morning Iraqi Trade Minister Hasan 'Ali laid a floral wreath at the national hero Jose Marti monument in the Plaza de la Revolucion. The distinguished visitor was accompanied by Cuban Ambassador to Iraq Juan Carretero and other officials. Hasan 'Ali is also a member of the Iraqi Ba'th Command and the Revolutionary Council of that Arab country. The prominent Iraqi official is in Cuba participating in the first Cuban-Iraqi intergovernmental cooperation session. He arrived in our country this past Friday. [Text] [FL101926 Havana Domestic Television Service in Spanish 1800 GMT 10 Dec 79 FL]

NATIONAL ECONOMICS MEETING CLOSES--Yesterday Carlos Rafael Rodriguez, member of the Politburo and vice president of the Councils of State and Ministers, closed the University of Havana economics faculty second scientific meeting which was held at the Manuel Sanguily Center at the university. In his remarks he referred to the level of economic studies at the university in Cuba before the revolution, when, he said, there was only one accounting school which operated for bourgeois interests. Lastly he called on the teachers and students to join scientific research projects with practical demands to overcome deficiencies still existing in the economic sector. The closing ceremony was also presided over by Francisco Garcia Valls, minister-president of the State Committee for Finance, Catalina Rubier and (Ismael Moreno Grillo), vice presidents of the State Committee for Prices and National Bank of Cuba, respectively. [Text] [FL101751 Havana Domestic Service in Spanish 1700 GMT 10 Dec 79 FL]

GUILLEN IN BULGARIA--Nicolas Guillen, president of the National Union of Cuban Writers and Artists, today arrived in Sofia, the Bulgarian capital, to participate in the commemoration of the 70th anniversary of the birth of Nikola Vaptsarov, poet and antifascist fighter. Guillen was received at the airport by Panteley Zarev, chairman of the Union of Bulgarian Writers, and Lyubomir Levchev, deputy chairman of the Committee for Culture, and Jose Alvarez Barvo, Cuban ambassador to Bulgaria. [Havana Domestic Service in Spanish 1929 GMT 3 Dec 79 FL]

IRAQI TRADE DELEGATION--Hasan 'Ali al-Amiri, Iraqi minister of trade, today left for Cuba to participate in the first session of the Cuban-Iraqi committee on trade, technology and economy which will open tomorrow in Havana. Al-Amiri has told newsmen of his intention of diversifying and intensifying trade relations with Cuba. [Text] [FL040204 Havana Domestic Service in Spanish 0000 GMT 4 Dec 79 FL]

SUGAR HARVEST--Of the 148 sugar mills scheduled to grind cane in the 1980 harvest, 34 have already started operations in the following provinces: nine in Matanzas, four in Sancti Spiritus, four in Camaguey, four in Santiago de Cuba, one in Las Tunas, three in Holguin, seven in Granma and two in Guantanamo. [FL041516 Havana Domestic Service in Spanish 1200 GMT 4 Dec 79 FL]

SOVIET DELEGATION--The delegation of the CPSU headed by G. S. Pavlov, member of the CPSU Central Committee, has visited the Palace of Conventions, the Almar housing project and the Granma memorial. At the Palace of Conventions the visitors toured the installations of that modern building. Subsequently they went to the Alamar housing project where they were briefed on the residential suburb which has more than 10,000 apartments built in the last 8 years. At the Granma memorial Pavlov and those accompanying him observed the yacht that brought to Cuba Fidel and his comrades to continue the armed struggle which began with the assault on the Moncada barracks and ended with the definitive victory of the Cuban revolution. [Text] [FL041548 Havana Domestic Service in Spanish 1151 GMT 4 Dec 79 FL]

ETHIOPIAN DELEGATION--This afternoon Tesfaye Dinka, minister of industry of the Socialist Republic of Ethiopia, and the delegation accompanying him

visited the "Cuban-Hungarian Friendship" glass enterprise located in La Lisa Municipality, Havana City Province. The visitors, accompanied by Eliseo Gavilan, Cuban vice minister of the chemical industry, and Reynaldo Fernandez, deputy technical director of the enterprise, toured all the installations of the site. During the tour the Ethiopian minister showed interest in the technology at the enterprise and the acquisition and preparation of the raw materials and other topics dealing with our experiences in this sector. The visitors were also accompanied by representatives of the PCC, the Union of Young Communists [UJC], trade union members and workers at the installation. [Text] [FL040231 Havana Domestic Television Service in Spanish 0100 GMT 4 Dec 79 FL]

SPANISH DELEGATION--The Spanish official delegation visiting our country to sign the trade protocol for 1980 has met with Raul Leon Torras and Hector Rodriguez Llompart, ministers-president of the Cuban National Bank and the State Committee for Economic Cooperation, respectively. During the meeting with Leon Torras, financing operations and import of capital goods originating in Spain were examined. While at the State Committee for Economic Cooperation, the two sides discussed the state of the bilateral economic relations between Cuba and Spain, mainly the aspect dealing with industrial development. The Spanish delegation headed by Under Secretary of Commerce and Tourism Agustin Hidalgo de Quintana today will visit the State Committee for Construction, the Foreign Ministry and the State Committee for Material and Technical Supply. [Text] [Havana Domestic Service in Spanish 1154 GMT 4 Dec 79 FL]

ETHIOPIAN LABOR DELEGATION--Today Oscar Fernandez Padilla, president of the State Committee for Labor and Social Security [CETSS] received at CETSS headquarters in Havana Kebede Kassa, minister of labor of the Socialist Republic of Ethiopia. On his arrival the Ethiopian visitor was warmly welcomed by the workers at that state committee. On behalf of the workers Jose Maso, member of the PCC management committee at the state committee, emphasized the close ties of friendship existing between Cuba and Ethiopia. For his part Minister Kebede Kassa expressed the pride of the Ethiopian people for Cuban solidarity with the revolution in his country. [Text] [FL050036 Havana Domestic Service in Spanish 0000 GMT 5 Dec 79 FL]

CUBANS IN ANGOLA--At a ceremony held in Luanda on the occasion of Latin America Medicine Day, diplomas were handed out to Cuban internationalist health sector workers who have completed their tasks in Angola. In his closing remarks Mario Torres, economic counselor at the Cuban Embassy, recalled the figure of Cuban scientist Carlos J. Finlay on the occasion of the 145th anniversary of his birth. Torres also pointed out that the Cuban health workers feel honored to have shared their knowledge with the Angolan people. [Text] [FL050036 Havana Domestic Service in Spanish 0000 GMT 5 Dec 79 FL]

ETHIOPIAN DELEGATION IN CAMAGUEY--A governmental delegation from socialist Ethiopia today arrived in the city of Camaguey to begin an extensive tour

of economic and social centers in Camaguey Province. The delegation will follow a schedule which includes a visit this afternoon to production and social centers in Camaguey Municipality. Tomorrow they are scheduled to visit the industrial city of Nuevitas located to the north of Camaguey City. They will also meet with the Ethiopian students who are attending Camaguey university, where they are learning Spanish and other subjects. The Ethiopian governmental delegation will also visit other sites of interest. The purpose of the Ethiopian delegation's visit is to continue in Cuba the talks on economic cooperation which were opened between the two governments this past October. [Text] [FL061959 Havana Domestic Service in Spanish 1919 GMT 6 Dec 79 FL]

PEREZ HERRERO IN CIENFUEGOS--Today Antonio Perez Herrero, member of the PCC Central Committee Secretariat, toured various education, cultural and production centers in Cienfuegos Province. During his tour of Cienfuegos Province Perez Herrero talked with administrative personnel at the "Barbaro Alvarez" preuniversity school and at the "Batalla de Santa Clara" secondary basic rural school; the two schools are located in Cumanayagua Municipality. The secretariat member also visited the "Escambray" dairy farm and the location where the provincial newspaper will operate. [Text] [Havana Domestic Service in Spanish 0000 GMT 6 Dec 79 FL]

USSR COSMONAUT IN SANTIAGO--Col Yuriy Romanenko, pilot cosmonaut and hero of the USSR, has said in Santiago de Cuba that the cosmonaut flights for scientific and economic purposes and in service of world peace are only possible in a society which builds socialism and communism. Romanenko, who is attending as a delegate to the second youth festival of Cuba and Soviet youth, also stated that the two Cubans who are training at the USSR flight training center are doing well in the training and are included in a future crew with Soviet cosmonauts. Yuriy Romanenko, who is also a member of the Leninist Komsomol Central Committee, has called the friendship festival, which is taking place in Santiago de Cuba City, a success, and he emphasized the concern of the Cuban state with the complete training of the new generations. [Text] [Havana Domestic Service in Spanish 0000 GMT 6 Dec 79 FL]

VIETNAMESE DELEGATION IN NICARO--Today a Vietnamese governmental delegation headed by (Huan Trong Tai), vice foreign trade minister, has concluded a 2-day visit to the nickel region of Nicaro in Holguin Province. (Trong Tai) and his delegation toured the installations of the Maj Rene Ramos Latour nickel enterprise where they learned about aspects of the industrial process. [Text] [FL070042 Havana Domestic Service in Spanish 0000 GMT 7 Dec 79 FL]

CSO: 3010

ARCHBISHOP CONDEMNS TERRORISM IN SUNDAY SERMON

PA190316 Panama City ACAN in Spanish 1725 GMT 18 Nov 79 PA

[Article by Rosendo Majano H.]

[Text] San Salvador, 18 Nov (ACAN-EFE)--Msgr Oscar Arnulfo Romero y Galdamez, archbishop of San Salvador, today again condemned terrorism in El Salvador, noting that roles are apparently changing and that those who in the past complained about repression are now the ones exerting it.

The Salvadoran Catholic leader then referred to the slaying of 11 peasants in Cuzcatleca early last week. Members of the clandestine Popular Liberation Forces (FPL) killed the peasants for allegedly collaborating with the now defunct paramilitary Nationalist Democratic Organization (ORDEN), which the OAS condemned for its violation of human rights in El Salvador and the revolutionary government junta dissolved.

Shortly before his traditional Sunday sermon Monsignor Romero received a message from the U.S. National Council of Churches reiterating its support for his struggle on behalf of the poor and stressing that it will remain watchful so the United States "does not support dictatorships again."

The archbishop asked all Salvadorans to help reestablish peace in this difficult hour. He said this country needs profound structural changes if there is to be justice and noted that 50 million human beings are starving in Latin America. He also said price increases in El Salvador have dealt a harsh blow to the people. He said more than half of them suffer from malnutrition due to their low incomes. He noted that after 1975 prices in Latin America have increased by 319 percent, while in other parts of the world they have not exceeded 31 percent.

The archbishop acknowledged the revolutionary junta's measures that benefit coffee, sugarcane and cotton harvesters. A decree issued last week established the minimum wage for coffee harvesters at \$5.75 per day, for cotton harvesters at \$3.20 per day and for sugarcane harvesters at \$3.60 per day.

In the name of civilization he asked the kidnapers of Salvadoran businessmen Jaime Battle and Jaime Hill to release them. He also urged security authorities to either release the country's political prisoners or provide information on their condition. The fate of many of them has been unknown since the days of ousted Gen Carlos Humberto Romero. He then referred to the existence of secret cemeteries and recalled that the United Popular Action Front (FAPU) has shown pictures of these cemeteries explaining that they are located in several areas along the coast.

Monsignor Romero recalled the case of Christian Democratic militant Federico Corvera Rodriguez, who along with four other citizens was left for dead on a cliff during General Romero's regime. After being rescued and taken out of the country by his party he publicly denounced these incidents.

According to Romero, the commission in charge of investigating political prisoners and missing persons is very interested in resolving this problem. He said the relatives of these individuals should receive an indemnity.

He also asked that the case of Tomas Lopez, sacristan of the neighboring city of Soyapango, be explained. Lopez was arrested by police on 16 October and, according to Romero, the authorities are already investigating the case. Maj Sigfrido Ochoa, who was discharged and is now available for service, was in charge of the finance police in those days.

Romero stressed the need for a prudent and wise depuration of the security corps, underscoring that this is not the time for vengeance. He said there is no reason for the now-dissolved ORDEN, which has announced it will continue operating clandestinely, to continue exerting repression. He invited all Salvadorans to receive ORDEN members among the honest community and to urge them to cease their operations.

He also appealed to the consciences of those still engaging in violent activities and urged them to stop harming the poor. The archbishop then mentioned the fires started by members of several extreme leftist organizations and the damage to potable water plants. All of these activities have affected thousands of families in the capital.

The archbishop condemned the attack carried out in midweek against EL DIARIO DE HOY director Enrique Altamirano, whose home was bombed.

In conclusion, he said men understand each other through dialog and recalled several recent instances in which dialog had had good results. He also stressed the fact that three demonstrations were held recently without any incidents occurring.

BISHOP SPEAKS OF CARIBBEAN REACTION TO HIS REVOLUTION

Havana BOHEMIA in Spanish 9 Nov 79 pp 30-33

[Interview with Maurice Bishop, Grenadan prime minister, by Enrique Castro and Pedro Pablo Rodriguez: "Grenadan Revolution Is Nonaligned Force"; date and place not given]

[Text] Since about 7 months ago, the small island of Grenada in the eastern Caribbean has been in international news frequently. On 13 March 1979, at 0400 hours, some 40 members of the New Jewel Movement took over the barracks and, from the radio stations, exhorted the people to support their action and consolidate the revolutionary movement. This ended the years of opposition to the regime of Eric Gairy who combined the dictatorial and fascist characteristics of his government with insane outspoken ideas about himself as a messenger of God and an individual capable of communicating with extraterrestrial beings by virtue of his mental power. Maurice Bishop, the head of the Grenadan revolutionary movement and present prime minister, was one of the strongest figures at the Sixth Summit of Nonaligned Countries. His tall, thin figure and his firm, clear speech were seen and heard by the Cuban people on television when he read his speech at the great Havana meeting and he presided over one of the sessions. Recently, news wires have informed us of the staunch anti-imperialist stand in his speech at the present UN session. On television we saw him go up to the podium of the international forum to give Fidel a supportive and emotional embrace when the latter finished his historic speech in New York. Maurice Bishop, a 35-year-old lawyer, is one of the most distinguished people in the Caribbean and America. He has won the sympathy of the Cuban people through his clear speech and his open anti-imperialism and, during the Sixth Summit, became one of the more important politicians in the nonaligned movement. On 19 August 1977, BOHEMIA had the privilege of publicizing the ideas of the leader of the Grenadan revolutionary movement. At that time, Bishop--accompanied by Unice Witerman, now minister of economy-- [probably Minister of Agriculture, Fisheries and Tourism Unison Whiteman]--gave our readers an important analysis of the

situation in his country and issued a wide-ranging denunciation of the massive repression by Gairy's government as well as the contacts that Gairy had with the Chilean fascist junta and the U.S. Mafia. Therefore, ever since his visit to Cuba for the Sixth Summit was announced, we felt it our duty to interview him again in order to offer our pages to one of the boldest and most talented contemporary revolutionary leaders.

The New Jewel Movement takes its name from the English acronym JEWEL which stood for Joint Endeavor for Welfare, Education and Liberation. This organization, led by Bishop, merged in 1973 with the People's Assemblies Movement and took the new name. The party leadership consists of a political bureau with seven members.

The interview was held on a sunny morning after an exhausting night of work related to the summit meeting. Bishop was tired, obviously, but he spent a long time with the Cuban reporters. We filled two 60-minute cassettes with the conversation.

The meeting of experts and the meeting of foreign ministers of the nonaligned countries, prior to the Sixth Summit, resolved to accept Grenada as a full member. For that reason, the conversation started with this.

Bishop stated: "We joined the movement because we believe that it is the most important organization for our government due to the foreign policy that we have been following since we assumed power.

"The principles of nonalignment are principles that our party has followed for years; we are a natural nonaligned force. Our party is anti-imperialist, anticolonialist, antiracist--including Zionism--antineocolonialist and antifascist. Therefore, these fundamental principles of the movement are also fundamental for us. We also speak out against the formation of blocs which we feel are formed for imperialism, expansionism and fascism. We uphold the principle that all countries have the right to carry out their own political processes in their own way, free from any foreign interference or threat of violence. We also believe that nations must not be isolated, blockaded or suffer from destabilizing attempts. Because we accept these principles, we have joined the movement; we believe that it can help us advance toward the fulfillment of our interests in an international context."

When asked about his opinions on the basic items on the agenda, the Grenadan prime minister stated:

"The Mid-East question is one of the key points for us. Our position is that no agreement can be accepted without considering the

rights of the Palestinians. Our position is that the only organization with the right to speak in the name of the Palestinians is the PLO. Our position is that any agreement concerning Palestine can only be made under the auspices of the United Nations and not by two or three countries. Our position is that the Camp David agreements are treason committed by the present Egyptian leaders; we condemn them because they do not solve the Palestinian problem, they do not have the approval of the PLO, they are an affront and an insult that offends the sensibility of all democratic, progressive and socialist forces in the world.

"We believe that these agreements are an imperialist maneuver conceived by the United States to divide our peoples. They are a colonialist maneuver because they insure the continuation of the Palestinian situation of subjugation and domination and they are also racist.

"The question of southern Africa is also very important. We recognize the Zimbabwe Patriotic Front as the only representative of that people. We feel that, under the present circumstances, the front cannot and should not lay down its arms as the Rhodesian Army that supports Smith and the black puppet governors want.

"We support SWAPO in Namibia and the ANC [African National Congress] in South Africa because we are on the side of the fight for liberation, for national self-determination and the freedom of the people of the African southern cone. Because of our African origin, we feel very closely tied to the struggle for liberation on that continent.

"Another important subject for us is Kampuchea. The only true government of that people is the People's Republic of Kampuchea since it effectively and totally controls the country. If the moral issue is brought up, it is necessary to look at the murders committed by the barbaric regime of Pol Pot. Millions of people were killed and massacred by those butchers. If a moral focus is used, it is necessary to look at those atrocities and not at the just solidarity of Vietnam with the forces opposing that genocidal regime.

"Therefore, we fully support the government headed by Heng Samrin. We recognize it as the true representative of Kampuchea and we feel it has absolute right to occupy a seat among the nonaligned countries."

It is very important to Maurice Bishop that his first conference of the nonaligned countries was held in Cuba since he feels that Grenadan membership is due to the example and significance of the Cuban revolution.

"Coming to Cuba is the best response to imperialism and the reactionaries who have tried to hinder the development of the conference. All

those attempts have failed since the majority of the members recognize that there are different types of countries, socialist as well as capitalist, within the movement. It is understood that ideological differences must not affect this movement based on anti-imperialism, antiracism and anticolonialism. In spite of the attempts of a few reactionary governments to sabotage the Sixth Summit, the movement was greatly strengthened by the Havana meeting; there has not been any division."

This subject led the conversation to one of the most significant parts of Bishop's speech to the conference--the mention that he made of a cable the U.S. State Department sent to his government concerning his participation in the conference.

"The cable arrived on Friday and on Saturday I came to the summit meeting. It said that the movement was going to meet in Havana and that there were people within the movement who were trying to deviate its basic path of nonalignment and destroy the OAS and the fundamental principles of the United States. It asked us to take appropriate measures.

"We talked about this cable in our government. We said that the next time that the U.S. Government attended a NATO meeting, we could send it advice about how it should act. Also we thought we could ask it: Why don't you go to Havana and ask permission to speak to the conference and defend your interests? Finally, we decided that the best answer was to come to the summit meeting to express our points of view so here we are.

"Apparently, the United States continues to feel that Latin America and the Caribbean are its backyard and it tries to continue involving us in its global strategy. I assume this type of cable was also sent to other nonaligned countries and was one more factor in the policy aimed at impeding the meeting of heads of government."

Grenadan Revolution

This small country formed by three islands (Grenada--the largest--Carriacou and Petit Martinique) obtained independence from the United Kingdom in February 1974. This ended more than three centuries of European colonial domination but did not lead to true national independence. Gairy was the leader of the government that, in 1973 and the beginning of 1974, violently repressed the progressive forces. The popular demonstration on 21 January 1974 in protest against the government stands out in the recent history of the Grenadan people. About 24,000 people participated which is an enormous number considering that the total population is estimated at some 115,000 inhabitants. In a sinister operation, the police, the army

and Gairy's secret police called the "Mongoose gang" shot at the demonstrators. Several died, including Bishop's father.

In the middle of 1977, facing an increase in mass protests headed by a group of opposition parties led by Bishop, the regime again used armed repression against peaceful demonstrators. Obsessed by increased popular rejection, Gairy organized an army of 120 men and a police corps of 600 members which received military assistance from Chilean fascism, as Bishop denounced in his previous interview in BOHEMIA.

In statements to TIME, Gairy had the effrontery to state that Grenada was a Garden of Eden. He also made the following demented statements: "I do not believe in violence. I am a spiritual man; I am in a mythical world. My opponents cannot strike me. They base themselves on the negative; I on the positive."

Bishop's words were precise when he described the reasons the Grenadan people overthrew Gairy.

"The first reason was the existing repression against basic and political rights of the people. Political meetings were banned; political parties were suppressed; newspapers could be fined up to \$20,000; there was no right to strike; and the right of the peasants to organize themselves into cooperatives, an old form of association in the country, was abolished. The basic right to life was restricted: people disappeared, there were no trials or legal arrests and the police frequently murdered people.

"The second problem was the scarcity of social benefits, jobs and hospitals. There were only two hospitals in the country. The cost of living increased daily; transportation and medical services became more expensive; housing conditions were very bad; and there was vast unemployment, estimated at half the working population. Two monopolies controlled the production and sale of sugar, rice and fish and, therefore, fixed consumer prices.

"In the third place, there was no type of economic planning or planning for the needs of the country. Gairy said that God told him what planning to do. If he dreamed that it was necessary to plant flowers, then that was what had to be done.

"The fourth question was orientation of the foreign policy. His closest friends were the Mafia, Chilean fascism and the South Korean Government.

"When we took power, there was a quick response from the people. The youth, the unemployed, the women, electrical, trade and banking

workers and all the workers went out into the streets and took over the work centers, police stations and radio stations. They made the political mafia--Gairy's ministers and henchmen--flee from the country.

"This response from the people keeps us in government; we maintain maximum contact with the masses. We try to be honest with them. We speak to them clearly about the problems that we have and we tell them that we expect hard work from them.

"The response has been tremendous in spite of the fact that we barely have money to pay the employees, to invest in the productive sectors and to pay for supplies. Our people understand that the only solution to all these problems is unity for the construction of the country with everyone working to his full capacity."

The Grenadan prime minister offered the following information about the danger of foreign aggression:

"After the revolution, Gairy fled to the United States. We have asked for his extradition but the U.S. Government has not yet answered. Nevertheless, we know that he met there with the National Security Council headed by Brzezinski, the president's hawkish adviser, and at that time a naval blockade against our country was considered. It seems that it was finally decided not to carry out that measure. However, Gairy has been permitted to reside in the United States and recruit mercenaries to attempt to return to Grenada. His friends in the Mafia are helping him; they have gone to Miami in search of Cuban counterrevolutionaries.

"Our people are ready to fight. The Grenadan people's army is being formed with youths who were unemployed 6 months ago. We organized workers militias which patrol the beaches and coasts every night. They walk with their weapons since we do not have enough patrol cars but they do it willingly because they know that they are defending their revolution."

The conversation then led to the program of the revolutionary government. We asked about plans to end unemployment and to find economic balance in the country.

"Our economy must be built on agriculture, the establishment of agricultural industries and the development of fishing. Our main agricultural products are coconut and banana. These crops should be developed and mechanized to increase exports. At the same time, crops should include many articles that we import now. This will help lower the high cost of living. At this time we are producing fruit that we export to the United Kingdom; then we buy it back from them after processing. We want to do that processing on the island which

will increase employment and will permit us to train skilled workers. We also want to can fish and develop the industry of finished textile articles. Hotels, guesthouses and two night clubs have been nationalized to increase state revenue and finance some of the proposed projects."

Expanding on this subject, Bishop mentioned Cuban cooperation.

"We are receiving solidarity and technical assistance from Cuba in several fields. A brigade of 12 Cuban doctors has taken care of more than 7,000 people in only a few weeks. Also several fishing technicians have already been trained and some Cuban fishing boats are here. We have received technicians to develop our water resources and construct roads. Also a number of scholarships for university courses have been offered to us.

"In addition, we have asked for financial help from member countries of OPEC. Three have answered us affirmatively and Venezuela will give us a certain quantity of oil in the coming years with which we can overcome the obstacles that the multinational oil companies erect.

"Technical and financial aid are very important to us since our country is a small island with a small economy, a limited market, limited resources, limited skill, limited population, serious problems from a deficit budget and, therefore, no money to finance necessary construction work. What I mean is that even the smallest amount of aid and assistance is important."

The last topic of conversation with the Grenadan revolutionary leader was the reaction in the area to the new government headed by Bishop.

"The reaction was jubilant. Our revolution is extremely popular among the Caribbean masses. Some governments have supported us; others have tried to destabilize the revolution and have made statements attacking our revolution. These governments have hindered our participation in CARICOM and do not want to recognize us diplomatically. This is because they have situations similar to ours in their countries and their peoples supported the Grenadan revolution. Nevertheless, the situation has changed in Santa Lucia and Dominica whose prime ministers attacked us. The people of Dominica, 3 months after the revolutionary triumph in Grenada, overthrew their prime minister. A similar situation occurred in Santa Lucia through elections. The Caribbean masses view this revolution as a chance to initiate a new process in the Caribbean and they feel that what has been done in Grenada has great significance for the entire region.

"We also think that our revolution helps accelerate the process of decolonization in the area where there are still enclaves under

British and French domination and Puerto Rico which is controlled by the United States. We are part, along with the Sandinist victory in Nicaragua, of the revolutionary advance in Latin America.

"The Grenadan revolution is ready to offer all the solidarity that the peoples need to fight for national liberation and against imperialism. At the same time, it needs the solidarity of all the progressive forces. We need it to stop our enemies' attempts at economic destabilization and violence. We need to make everyone understand that everything we are doing is with our own forces and our own people to achieve economic and social justice in Grenada for the first time."

We believe that there is a great lesson in the recent events in Grenada and the words of Maurice Bishop: the size of a nation, the number of its inhabitants, its geographic position or its economic weakness does not matter when the people and their leaders boldly, courageously and with determination undertake the road to revolutionary transformations. We have an example; Grenada is a small country where a great revolution is taking place.

7717

CSO: 3010

GUATEMALA

BRIEFS

FUEL PRICE HIKE--Guatemala City, 20 Nov (ACAN-EFE)--A new increase in the price of fuel will go into effect [words indistinct] cents and (industrial) bunker 8.6 cents. The energy secretary said the government will try to maintain the new prices unchanged for the rest of the year but that this will depend on the forthcoming OPEC meeting in Venezuela. He said today's price increases were caused by price increases last August at the oil refineries which supply the country. [Text] [PA211351 Panama City ACAN in Spanish 1906 GMT 20 Nov 79 PA]

CSO: 3010

BRIEFS

OIL EXPLORATION--Georgetown, 29 Nov (LATIN-REUTER)--The Guyanese Government has signed a 5-year contract with Major Crude Oil Incorporated, a U.S. oil exploration company, to seek oil off the eastern coast, the CANA Caribbean News Agency reported. This is the third exploration agreement signed by Guyana this year. Earlier, Dawson Mines of Canada and Seagull Oil of the United States agreed to a joint exploration off the coast, and a consortium of four Canadian companies took charge of the Takutu basin on the mainland. According to the contract that has now been announced, Major Crude will invest \$525 million the first year for seismic research. This amount will be increased each subsequent year. [Text] [PA011506 Buenos Aires LATIN in Spanish 1847 GMT 29 Nov 79 PA]

CSO: 3010

TURKS-CAICOS WANT HELP FROM GOVERNMENT TO REMAIN COLONY

FL071625 Kingston DAILY GLEANER in English 4 Dec 79 p 1 FL

[Text] Britain is offering independence to the Turks and Caicos Islands, but the islands, which were once a dependency of Jamaica, do not want independence. They want to remain a colony of Britain.

An offer of financial assistance to the islands, in both the pre-independence and post-independence periods, is understood to have been made by Britain to the tune of some ten million sterling in addition to technical assistance; but the islanders are having none of it, the GLEANER learns.

So determined are the people of the Turks and Caicos to remain dependent that it is reported that they have sent a request to the prime minister of Jamaica, the Hon. Michael Manley, asking him to use his 'good offices' to persuade Britain to keep the islands as a colony.

Mr. James McCartney, the chief minister of the island group, who is a Jamaican by birth, is said to have described the British offer as "vicious blackmail."

According to what the GLEANER understands, the British offer calls for the provision, in the pre-independence period, of an annual allocation of some one million pounds in capital aid and technical assistance.

In addition, Britain is to make a special allocation of another three million pounds to provide infrastructure for a proposed tourists development.

A financial settlement of another five million pounds is also reported to have been offered by Britain on the attainment of independence.

Political observers who have learned of the situation note with interest that the islanders are going against the general trend of colonies wanting to become independent. They have joined Cayman Islands in the claim to self-determination and as such to remain a colony.

U.S. DECISION TO TURN AWAY STUDENT LEADER CRITICIZED

FL101600 Kingston DAILY GLEANER in English 6 Dec 79 p 8 FL

[Unattributed editorial entitled: "An Unfortunate Decision"]

[Text] The affair of the Jamaican student leader Mr. Dennis Francis who was sent back on Saturday, December 1 from the USA by immigration officials at the New York airport points up a difficulty which Jamaicans have had to face in the USA and in Canada for years now. For Mr. Francis is not the first Jamaican to be refused entry into either the USA or Canada by immigration authorities at the point of entry. All those who have travelled will know that at the US points of entry, and at points of entry into many other countries, a large index book is consulted when one's passport is proffered; that book contains a list of persons not to be allowed in whether or not they have been given visas by the consulate in the sending country. For it is one of the inconveniences of today's world that immigration authorities do not accept valid visas as the only condition of entry.

In Mr. Francis' case it appears from reports that he had previously visited Cuba and East Germany. It appears also that one purpose of his proposed visit to the USA was to seek to encourage ratification of the SALT treaty. While we can see no valid reason why Mr. Francis should be prevented from entering the USA because of the countries he visited, it would seem that Mr. Francis was on delicate ground if it is true that he was going to interfere in a domestic debate in the USA.

But even this should not be used to prevent him entry. We fail to see how a student leader from Jamaica can pose a threat to the security of the USA. It seems to us to be an unnecessarily harsh move by the USA, and we trust that the US ambassador will convey the disgust of Jamaicans at this incident. Alas! The Jamaican Government has no power to dictate U.S. immigration policy, but it certainly should protest the treatment of Mr. Francis.

CSO: 3020

JAMAICA

BRIEFS

GUARANTEED SUGAR PRICES PROTESTED--The All-Island Jamaica Cane Farmers' Association has lodged a protest with the government about the \$390 a ton guaranteed for sugar. The association also called on the government to increase the price of locally consumed sugar, if it was not possible otherwise to "enable the farmer to get a reasonable return on his output." It said the \$390 a ton was inadequate to give an incentive to produce. The cane farmers' association is also calling for the increase of the advance payment for cane from \$15 a ton which was obtained from the last crop to \$20 a ton for the current crop. It said that this was a vital necessity if the farmers were to be in a position to reap the present crop. The meeting also drew attention to the state of roads in cane-growing areas; an unsatisfactory situation with respect to fertilizer supplies; and inadequate transportation. The association said that the present condition of the roads was so poor that truckers were refusing to put their vehicles on them. With regard to fertilizer, the association said that not only was there difficulty in securing adequate supplies, but the main supplier, Antilles Chemicals, had informed the association that there would be an immediate cutoff of the four per cent allowance for handling. [Excerpts] [FL101525 Kingston DAILY GLEANER in English 6 Dec 79 p 1 FL]

CSO: 3020

MEXICO

JLP: NO CONFLICTS WITH U.S., JUST PROBLEMS

Mexico City EXCELSIOR in Spanish 17 Nov 79 p 5-A, 32-A

[Article by Julio Leon Sardaneta]

[Text] President Lopez-Portillo said last night that "there are problems, not conflicts" between the United States and Mexico and that they are going to be resolved through "genuine, useful and sincere information, because," he added, "it is the extent of communication that makes excellence possible in social life, and if this holds true for men, it also holds true for nations."

The chief executive said this in the Carranza Room of his official residence of Los Pinos in welcoming the members of the Second Symposium of Mexico-United States Communication, whom he urged to create "centers of awareness in both countries so that problems are at least dealt with jointly."

The president cautioned that Mexico and the United States should not try to skirt obstacles; on the contrary, they ought to face up to and resolve them. I want to remind you emphatically that if realities are viewed as a problem, then they can be resolved; on the other hand, if realities are viewed as a conflict, then there is only confrontation."

As one of the realities in the Mexico-U.S. relationship he cited the fact that there exist "common elements between the two peoples, because this also assures their coexistence." He then stressed that if this coexistence also takes place on the level of neighboring countries, "good communication becomes even more important."

The chief executive then hailed the success achieved at the meeting between U.S. and Mexican media workers, during which they discussed issues such as economic relations between the two countries, national idiosyncracies, similarities and differences between the peoples of the United States and Mexico, illegal aliens and the role that the mass media ought to play in relations between the two countries.

"What you have been talking about is exactly what the chiefs of state of our two countries have been talking about. We realize that in order for there to be genuinely useful communication, there must be frankness, sincerity and accurate information, the chief executive told the representatives of Mexican and U.S. media, whom he urged "to bring up problems, because this is the reasonable thing to do. A properly stated problem is on the road to resolution, which is not the case with a conflict."

He also reminded those present that "the root of communication is things in common, and if we consider that man is by nature a social being, communication makes sociableness possible. It is the extent of communication that makes excellence possible in social life, and if this holds true for men, it also holds true for nations."

The president of the International Press Bureau, which is headquartered in London, Richard Leonard, who is also the publisher of the MILWAUKEE JOURNAL, told President Lopez-Portillo of his conviction that the problems between the United States and Mexico "could well be settled if the members of the press of the two countries work with understanding and a knowledge of the basic facts." He went on to say that the fact that the president received them personally strengthened his view that there will be better chances for the problems between the two countries to be properly grasped and resolved.

8743

CSO: 3010

TREASURY TO OFFER MODIFICATIONS TO VAT PROPOSAL

Mexico City EXCELSIOR in Spanish 12 Nov 79 p 4-A

[Article by Luis de Cervantes]

[Text] David Ibarra Munoz, the secretary of finance and public credit, will submit to the Chamber of Deputies for its consideration, modifications of the Value Added Tax Law, in order to ward off an inflationary spiral, and special legislation for taxes on automobiles.

This is part of the contents of the 1980 Federal Revenue Act, which the nation's finance secretary will personally outline when he appears before the members of the LI [expansion unknown] Legislature of the Congress of the Union on the 27th of this month.

The Finance Secretariat explained that in the wake of the approval of the VAT, which will take effect next 1 January, several enterprises were polled, and the opinions of the various sectors began coming in, with a view towards improving the system before it is implemented.

It is precisely for this reason that Ibarra Munoz will be submitting to the deputies a series of modifications, in order to facilitate the application of the new tax (estimated at 10 percent and to be levied on consumers), to prevent a rise in prices, to clarify that for certain items the tax has been cut or completely eliminated, and to correct mistakes in interpretation.

In addition, when the VAT takes effect, replacing the Commercial Revenue Act, a special law will be proposed to tax car buyers. Until now, the tax, which amounted to more than 30 percent of the value of certain new cars, was considered another special levy under the Commercial Revenue Tax.

Inasmuch as the VAT will have an overall rate of about 10 percent, this cannot apply to car buyers. Therefore, a high tax will be maintained on luxury cars, with the rate falling in accordance with the type of vehicle to a very low level in the case of the least expensive models.

A special law will be proposed for this kind of arrangement.

Both of these matters are part of the fiscal package that Ibarra Munoz will submit to the deputies. After explaining the 1980 Federal Revenue Act, he will submit to questioning by legislators from the seven parties that comprise the LI Legislature of the Congress of the Union.

8743

CSO: 3010

MEXICO

PEMEX: PETROLEUM PRODUCTION WILL NOT BE INCREASED

Mexico City EL DIA in Spanish 17 Nov 79 p 6

[Article by Sara Lovera]

[Text] Mexico will not raise its oil production and export level, asserted the director general of PEMEX [Mexican Petroleum], Jorge Diaz Serrano, yesterday in answer to a question as to whether we would sell the United States more than had been planned. He also said that all of our 1980 sales have been arranged and that more would not be sold to the United States. The output level of 2.25 million barrels a day has not been changed.

Diaz Serrano explained to industrialists yesterday the PEMEX policy for supporting the country's industrial development. In light of the concern among businessmen present at the First Industrialization Meeting about the prices of petroleum derivatives, the PEMEX director gave assurances that prices would remain stable for a reasonable period, recalling that they have stayed the same for the last 3 years.

In calming the businessmen, Diaz Serrano repeated that there would be an assured demand for energy sources in Mexico for a good time and he reminded them that PEMEX cooperates in industrial development with firms that use large amounts of equipment, products and manpower.

The PEMEX director recalled that in the construction industry alone, in 1978 the enterprise employed 110 workers and technicians and has contracts with 400 companies for the 1,800 projects that are being undertaken.

He gave the industrialists an overview of the industry's growth and said that production from Campeche Sound is beyond all expectations.

We are the world's sixth largest oil producer, he recalled, and in 1980 we will reach the scheduled goal of 2.25 million barrels a day. This, he clarified, will not change, unless the government decides otherwise.

The petrochemicals plant produces 8 million tons a year of these products, and this will rise to 18 million by 1982.

Two months ago there was no production from Campeche Sound, and now we can assert that the sound has proven reserves equal to the output of Ecuador, a leading member of OPEC.

He said that gas supplies are assured for all of our industries and he told the industrialists that this is the fuel that they ought to use in their plants, because a distribution network has been set up to guarantee timely and sufficient supplies.

With regard to exports, he pointed out that they are subject to certain principles determined by the Executive Branch. The first is direct dealings with other integrated oil companies and other final users, in order to make the transactions as sound as possible and eliminate middlemen who make the products more expensive.

The second principle has to do with international prices. PEMEX adheres to the prevailing prices on the world market for its purchases and sales.

He stressed, in conclusion, that economic and market factors only, never political or bloc considerations, are taken into account in setting prices. We can see this from the sales during the fourth quarter of 1979.

8743

CSO: 3010

MEXICO

SWEDISH OFFER TO INVEST 15 BILLION PESOS

Mexico City EL SOL DE MEXICO in Spanish 15 Nov 79 p 1-B, 5-B

[Text] After asserting that Sweden is the best partner that Mexico could choose, President Lopez-Portillo was informed that Sweden's major industrialists are working on plans to establish or expand bilateral enterprises representing a total of 15 billion pesos in investment.

This announcement was made by Mr Bjorn Lundvall, the chairman of the Swedish industrial delegation, during the audience that the chief executive granted to the members of the Swedish-Mexican business committee at his residence of Los Pinos.

Lopez-Portillo told them: "We realize that we live in an inter-related world, and in the attempt to cope with our historical obligations, we feel that Sweden is the best partner that we can choose, because of its political system, because of the respect that it shows to the human person and because of the consideration that it has for the developing countries."

After hearing their remarks, he also told them that "the Mexican Government has expressed its political will. The conditions are present; you are here, and I hope that everything works out."

The secretary of patrimony and industrial development introduced the Swedish group during the audience in the Los Pinos library, pointing out that "this is without question the most important mission to visit us from that country; it consists of presidents and directors of its major companies, whose output accounts for 20 percent of Sweden's GNP and 35 percent of its exports."

He pointed out that Sweden's cooperation is important because it will come in the field of machinery and equipment for mining, the energy sector (both in oil extraction and in the electricity sector, in which Sweden is a real power) and transportation and communication, from telephones to railway equipment.

Mr Agustin Legorreta, a member of the committee, was also present at the meeting with the chief executive. He was pleased to see that a country with longstanding industrial and trade relations with Mexico was displaying heightened interest in our country, stating that "we are certain that we will see major concrete results in the future."

For his part, Mr Lundvall, the president of the Ericsson Company, said that the delegation of industrialists had come to Mexico "not to sell or bargain, but to continue efforts in exploring the chances for establishing or expanding bilateral enterprises for production in this country."

A nine-point communique calling for greater technical cooperation between the two countries, among other things, was signed yesterday evening by Messrs Vicente Ariztegui and Bjorn Lundvall, the chairmen of the Mexican and Swedish segments of the Business Committee (ad hoc). Jorge Eduardo Navarrete, assistant secretary of foreign affairs, signed as a witness.

Participating in previous negotiations, in addition to the Mexican and Swedish industrialists and businessmen, were officials from the Foreign Relations Secretariat, SEPAFIN [expansion unknown], the National Financial Bank, Mexican Petroleum (PEMEX), the ports coordination agency, the International Council of Swedish Industry, the Federation of Swedish Industries, etc.

In the nine-point conclusions of the third plenary meeting of the Swedish and Mexican businessmen, the two delegations express their thanks for the support that they received from the Mexican Government.

8743

CSO: 3010

DENMARK OFFERS 6.9 BILLION FOR AGRICULTURAL PROJECT

Mexico City EL SOL DE MEXICO in Spanish 15 Nov 79 p 1-B, 5-B

[Text] Over the next 4 years Mexico will spend 22 percent of its oil export revenue on foodstuffs imports, in line with the current trend in farm production.

This was pointed out by Mr Hans T. Lynggaard, who is heading up a Danish industrial delegation. He maintained that private business circles in his country are interested in investing about \$300 million in Mexico to develop an agricultural project with the latest technology and machinery, which would enable Mexico to overcome its shortages of milk, meat and other foodstuffs.

He commented that Denmark covers only 43,000 square kilometers and has just 5 million inhabitants but that, notwithstanding, it has managed to become an agricultural nation in which only 2 percent of the land is not under cultivation. Some 120,000 farmers employ around 300,000 workers in food production, which would be enough for a population three times greater than the current one; thus, Denmark is able to export about three times what it consumes.

For example, he said that his country produces 13 million hogs a year; it consumes 3 million and processes the other 10 million for export.

He noted that there are many areas in which Mexico's and Denmark's economies could be complementary. He pointed out that Denmark is one of the largest importers of oil per capita, because it lacks this resource. He added that Denmark's oil purchases could total 8 billion tons over the next 5 years. Its total energy imports amount to 17 billion tons a year.

With regard to plans for setting up a pilot farm as a foundation for the development of Mexico's agricultural industry, he stated that such a project has been presented to officials in our government, who have envisaged the possibility that it could be carried out over a period of no more than 3 years. The project, he repeated, would

enable Mexico to overcome its shortfall of almost 1 million liters of milk a day and to produce about 18 million kilograms of meat in an area of around 50,000 hectares for cattle.

They have offered the technology, the farm machinery and the capital to carry out this project, which, he stated, would be of great benefit to Mexico, inasmuch as it would create job sources in the countryside, provide education to peasant farmers, good wages, housing for workers, food supplies and health care programs.

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CSO: 3010

MEXICO

BCRN INCREASES REGIONAL RURAL BUDGET BY 171 PERCENT

Mexico City EL SOL DE MEXICO in Spanish 15 Nov 79 p 3-B

[Text] Chihuahua, Chihuahua--The Rural Credit Bank of the North (BCRN) has begun its winter program with a budget of 531.52 million pesos, a 171 percent increase over the same period last year. The goal is 746 million pesos in food production.

Carlos Gonzalez Gonzalez, the BCRN manager, also asserted that there is a very good chance of success and that 93 percent of the investments would be made in Chihuahua.

He explained that the program for the winter of 1979-80 received a considerable increase because of the push being given to livestock activities.

The livestock program has a budget of 322.83 million pesos, which will be used to cultivate 4,461 hectares of fodder to fatten 92,000 head of cattle and produce 14,892 tons of meat.

In addition, the budget for regular equipment totals 207 million pesos, which will make possible the cultivation of 27,870 hectares, most of which will be for wheat.

He said that they hope to produce 89,864 tons of grain, 211,347 tons of fodder and 14,892 tons of meat valued at an estimated 746 million.

Benefits for 6,700 Peasant Farmers

The winter credit program will benefit 6,700 loan-seekers, 1,597 of whom are users of public lands, while 1,163 are small landowners.

With regard to recovering the investments, he said that they were hoping for a 100 percent recovery, because the rate over the last few winter cycles was almost 100 percent.

The recovery rate for the 1977-78 winter was 89 percent and 98 percent for the 1978-79 season, with hopes of reaching 100 percent this time.

MEXICO

RAIL BOTTLENECK DELAYS SHIPMENTS AT U.S. BORDER

Mexico City EL SOL DE MEXICO in Spanish 17 Nov 79 p 1-A, 15-A

[Article by special correspondent Maria Guadalupe Santa Cruz and correspondent Roberto Aviles Candia]

[Text] Matamoros, 16 November (OEM)--Four thousand boxcars loaded with machinery, spare parts, grains, raw materials and other cargo bound for Mexico will not be crossing the border, owing to the suspension of shipments that the Missouri Pacific ordered today.

The decision, which will have a severe economic impact that could shut down domestic industries, was made here "because there is a serious 'bottleneck' in the rail system in Mexico, and the U.S. company that owns the cars would lose many millions of dollars, as well as time, moving the 4,000 boxcars through the border, unloading them and then returning them to the border," it was reported here.

Jose Almaguer, the regional manager of the U.S. company, explained that the boxcars were rented to National Railways of Mexico on the assumption that the Mexican enterprise would provide the power to move the cargo, but this has been impossible.

The Missouri Pacific was to have taken the cars through the customs offices at Nuevo Laredo and Matamoros.

Almaguer, who spoke along with Mark Barnett, a company executive, said that the suspension or embargo was for an indefinite period.

The decision does not affect the port of Brownsville, where National Railways of Mexico has sent locomotives.

Missouri Pacific announced that it was planning to sue National Railways of Mexico for breach of contract and for the losses that it has suffered as a result of having loaded boxcars tied up at the railway ports entering Mexico.

Lorenzo Blanco, the president of the Association of Customs Agents of Matamoras, asserted that the embargo could hold back Mexico's industrialization process and is a severe blow to the Mexican economy.

National Railways of Mexico had rented 5,000 boxcars from three American companies.

The problem began manifesting itself late last August when 30 locomotives in the Monterrey Division of National Railways of Mexico were taken out of service for repairs.

But the problem lies not only in the congestion of cargo in the United States bound for Mexico; along the entire northern border inside Mexico there is an enormous backlog of cargo that has not been moved.

Of particular importance are the 500,000 tons of sorghum that could go bad at a time when cattlemen are complaining that the drought and the shortage of fodder and grain could endanger the lives of thousands of animals.

Sorghum is used basically to fatten cattle. The problem affects dairy cattle, and the shortage of feed has prompted the permanent shutdown of stables in the La Laguna zone, the country's most important dairy region.

The Monterrey Division of National Railways of Mexico looked like a giant parking lot today, and cargo continues to build up day after day.

In order to alleviate the problem of cargo backlogs, the agricultural authorities are making urgent appeals to carriers all over the country in a bid to have land transport relieve the pressures on granaries and warehouses.

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CSO: 3010

MEXICO

ESR: DECENTRALIZATION 'SLOWER THAN EXPECTED'

Mexico City EL SOL DE MEXICO in Spanish 15 Nov 79 p 5-8

[Text] The system of tax incentives implemented by the government to encourage private investment (CEPROFI [expansion unknown]) has begun "more slowly than expected, has brought about little regional decentralization and has met with poor response as far as utilizing employment schemes is concerned," said Emilio Sacristan Roy, the director of tax incentives of the Finance Secretariat.

Although 113 CEPFOFI's have been granted so far, with 176 requests being processed, for a total of 96 billion pesos, the pace of a applications and awards "has not been as brisk as expected," he explained while attending the first National Industrialization Meeting.

He also reported that the signing of agreements with states has proceeded more slowly than anticipated, "to the extent that agreements have yet to be signed with more than half of the state governments," which introduces "a major element of uncertainty for the priority projects" in zone two.

He also said that there were very few requests in regional priority zones, expressing his concern that "no relocation request has been submitted so far."

Nevertheless, he stated that the response of small industry has been encouraging, inasmuch as 73 percent of the certificates issued have gone to this sector.

For his part, Alejandro Alba Guerrero, a former president of CONCAMIN [Confederation of Industrial Chambers], asked that the emphasis placed on the development of priority activities "not turn into limitations, obstacles and unnecessary disincentives" for enterprises that are not engaged in these activities.

He asserted that the fact that there have been no relocation requests so far is a sign that the incentives do not justify the difficulties and the cost of transfer.

Meanwhile, the under-secretary of industrial development, Natan Warman, said that the industrial development plan that the state has introduced does not impose limitations of any sort, but it does choose to encourage priority sectors for the nation's economy and development.

He explained that the plan has begun to work and that SEPAFIN [expansion unknown] is continuing detailed study on the arrangements included in development programs.

Sergio Garcia Ramirez, the under-secretary of semi-state industry, said that public sector enterprises have begun a new stage, in which they will operate not on the basis of happenstance or temporary situations but will instead be guided by the planning that the state is doing in accordance with the country's priorities.

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CSO: 3010

MEXICO

RAILROAD ELECTRIFICATION TO BEGIN IN 1983

Mexico City EL SOL DE MEXICO in Spanish 18 Nov 79 p 9-A

[Article by special correspondent Roberto Noriega G.]

[Text] Lazaro Cardenas, Michoacan, 17 November (OEM)--Miguel Angel Barberena has announced that the electrification of Mexico's railroads will begin in 3 years and that by the year 2000 the 8,000 kilometers of the basic system will have been electrified. Expenditures for the 3 years are estimated at \$1 billion

The Mexico-Irapuato and Mexico-Queretaro routes could also be in operation by the end of this period. The first route could be extended to Guadalajara, and the second to San Luis Potosi, Monterrey and Nuevo Laredo, which would streamline the movement of cargo that is now "strangling the country."

Barberena and the manager of National Railways said that this would mean sizable savings for the country, since at present some 400 or 500 million pesos are spent for annual purchases of foreign parts. When the system is electrified, 50 percent of this amount will be saved, with the option that the electrical parts could be manufactured in Mexico.

Moreover, the electrification of the system, which will entail an initial outlay of 25 million pesos for the feasibility study, will also save fuel and cut noise and pollution.

Mexico's railways did have an electrification system, and in fact, under the previous administration 12 electrical engines had been ordered from Japan, but for unknown reasons the order was canceled. If it had not, the route would now be in operation as the groundwork for the electrification of National Railways, Gomez Zepeda said.

In connection with investments, preliminary estimates are that in a 3-year program Mexico would spend \$1 billion. To demonstrate the significance of this sum, we need only point out that Brazil, where there are "many waterfalls," thus making the harnessing of electrical energy easier, will spend 6 billion pesos over the same period, or 2 billion pesos a year.

JLP INAUGURATES CORONDIRO-LAS TRUCHAS RAIL LINE

Mexico City EL DIA in Spanish 18 Nov 79 p 2

[Article by Sadot Fabila Alva]

[Text] Lazaro Cardenas, Michoacan, 17 November--President Lopez-Portillo today inaugurated the Corondiro-Las Truchas railway line, which covers 200 kilometers of rough mountain terrain and which cost 480 million pesos. With it the federal government has taken a decisive step in the development of the Las Truchas Iron and Steel Mill and the fertilizer plant, the raw material for which, phosphorite, will be brought in from the world's largest deposits in southern Baja California.

The railway line consolidates the Las Truchas development pole, because it will have enough ore from Monclova and perhaps from Sonora to manufacture steel. Lazaro Cardenas is the country's deepest port, and thus a sizable number of manufactured goods will be shipped to Europe and the Orient from here. This will be an industrial and fishing development zone, which will also have shipyards for the construction of larger vessels.

President Lopez-Portillo took a 4½ hour trip from Corondiro to Las Truchas. He held a working meeting there at which the manager of National Railways of Mexico, Luis Gomez Zepeda, explained how this mode of transportation would be developed from now until the end of the 6-year term through projects that will represent around 23 billion pesos in investments. The projects include the electrification of the Mexico-Queretaro-Irapuato line and its extension to Aguascalientes, in San Luis Potosi and Guadalajara, hooking up with Lazaro Cardenas.

Miguel Angel Barberena, the under-secretary of communications and transport, reported that 8,000 kilometers (considered the "basic system") of the 24,000 kilometer general railway network would be electrified by the year 2000 and that container piers are now being built in Salina Cruz, Coatzacoalcos and Veracruz for loading and unloading operations. The aim is top efficiency at ports, which are links between maritime transport and land transport, whether by rail or highway.

Dr. Oteyza and Barberena specified that electrifying the railway system would enhance the speed and efficiency of transport by doubling the maximum cargo power from 3,000 to 6,000 horsepower.

Oteyza said that what we are celebrating now with the inauguration of the Corondiro-Las Truchas railway line is the hookup of the steel mill with the rest of the country. "We are in the process of making it produce to an extent commensurate with the investments here."

The Las Truchas steel factory will, over time, be the country's largest, with a scheduled output of 10 million tons of steel, the patrimony secretary said.

Gomez Zepeda stressed the push that has been given to railroads over this 6-year period. He said that in 1976 just 397 million pesos were invested; by 1978 investments had hit around 1.58 billion, rising to 1.89 billion this year. By 1982, he said, investment will total 4.9 billion, independently of the plan to electrify the system.

Gomez Zepeda underscored the role that railways play in handling large volumes of cargo, which are essential for our production apparatus. He gave a number of figures on the volumes that are handled daily, which total some 700,000 tons, and noted that despite the push given to the system with the acquisition of locomotives, there are still backlogs of 300,000 to 400,000 tons a day at our ports and along the northern border, especially in Nuevo Laredo.

The new policies mark the end of the previous approach of developing our roads and forgetting the railway system. The country's social and economic growth must be based on a strong, extensive and efficient rail system, Gomez Zepeda emphasized in pointing to the series of projects on tap to join this part of the republic with the central section.

The chief executive made several stops on his rail journey through the basin of the Balsas River. Along the steep spurs of the western and southern Sierra Madre he saw tunnels and impressive bridges spanning the Tepalcatepec, Infiernillo and Los Chivos rivers, in addition to the Balsas, and passed directly by the awesome Infiernillo and La Villita dams.

The speeches of the officials at the meeting were often stopped so that the resident could be given explanations of where the train was. He viewed photos, oil paintings and water colors illustrating the entire construction process and was told of the difficulties that technicians encountered in building the bridges across our wide rivers. In building the highest bridge, the technicians had to put together an enormous float of railway tanks to lay the crossties. They controlled the reservoir water levels at night so that there would be no air currents.

Gomez Zepeda spoke warmly of the railway and the enormous volumes of cargo that it has to move every day and he voiced concern over not being able to transport backlogs because of equipment shortages, backlogs that have been increasing in recent years as the country has developed. President Lopez-Portillo asserted that along with this development our transportation infrastructure has now become inadequate. This, he said, is one of the characteristics of the development and the consolidation that we have been talking about, i.e., resolving the problems of growth, which are similar to those of a growing boy whose clothes become too small for him.

This is what is happening with our railroads and with the entire country, he stated.

The secretary of communications and transport emphasized that the growth of our railroads must run parallel to the country's development, because the massive movement of merchandise is, at the same time, a condition for development and one of its material results.

He went on to say that our rugged terrain poses a challenge to Mexicans in building more railways, which, when properly run, provide quick, safe and reasonably priced service.

At the meeting it was said that the Corondiro-Las Truchas line is one of the most outstanding accomplishments of post-revolutionary governments in terms of transportation infrastructure, in keeping with the ambitious plans that include, besides the railway, the steel mill, the port of Lazaro Cardenas and the urban and industrial development of this region on the Guerrero-Michoacan border at the mouth of the Balsas River.

After arriving at the steel mill, President Lopez-Portillo saw a documentary on the railway construction projects and after touring the industrial complex, which includes Mexican fertilizer and CONASUPO [Government Basic Commodities Corporation] installations, he inaugurated the zone's commercial port (a foreign-flag cargo vessel was already in port) and, in conclusion, inaugurated a factory producing capital goods for steel mills. SIDERMEX [Mexican Iron and Steel?] built its first tank car there to transport molten cast iron at the steel mills in Monclova, Coahuila. It weighs 100 tons.

The tank car, which used to cost more than 14 million pesos to import, is capable of transporting 250 tons of molten steel. It was manufactured completely at SICARTSA [expansion unknown], with the backing of German technology.

The president of the republic was told that the first stage involves the manufacture of three tank cars. More sophisticated equipment will be produced subsequently, such as cranes, furnaces, casting machines and vehicles for steel mills, as well as condensers for the oil industry.

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CSO: 3010

NICARAGUAN EMBASSY IN VENEZUELA EXPLAINS YOUTHS' ARREST

PA061953 Paris AFP in Spanish 1434 GMT 6 Dec 79 PA

[Text] Caracas, 6 Dec (AFP)--The Nicaraguan Embassy in Venezuela admitted here today that some minors are under arrest in Nicaragua for having actively participated and used weapons in the genocide committed by the Somozist Guards against the Nicaraguan people.

A communique issued today by the Nicaraguan Embassy explains that the youths are receiving special treatment and some have been transferred to special Social Welfare Ministry rehabilitation centers.

The Nicaraguan Embassy issued the explanation after a Nicaraguan citizen, Jose Esteban Gonzalez, sent a message to Venezuelan first lady Betty de Herrera Campins charging that over 30 children between the ages of 11 and 15 are being held as prisoners of war in Nicaragua.

The embassy communique added that other minors will be placed under a program of social readaptation and will be protected by revolutionary justice and humanism, inasmuch as these youths used their weapons during the genocide committed by the Somozist Guards against the Nicaraguan people.

The Nicaraguan Embassy in Venezuela also said that part of the heritage of the tyranny is having incorporated minors into the National Guard in the nefarious basic infantry training school. The school was directed by the son of the tyrant, Anastasio Somoza, whose horrible crimes against the Nicaraguan people are well known throughout the hemisphere and the rest of the world.

In conclusion, the embassy communique said the Nicaraguan Revolutionary Government is concerned about the defense and protection of human rights, adding that there are 40,000 orphans in Nicaragua, victims of the horrible slaughter of the Somozist tyranny.

CSO: 3010

NICARAGUA

NEWSMEN PROTEST CANCELING OF NEWSCASTS

PA062109 Managua BARRICADA in Spanish 1 Dec 79 p 7 PA

[Text] Radio Corporacion has decided to cancel its "Sucesos" and "Aqui Centroamerica" newscasts. The latter is produced by a group of newsmen.

The station's management announced the measure, which affects a total of 35 persons, in a letter to the producers of the newscasts. The station has adopted a new policy of administering its own newscasts instead of renting the time, as it has been doing ever since it was established.

We talked with Manuel Eugarrrios, president of the Managua Radio Newsmen's Union, and Freddie Rostran Arauz, secretary of the Union of Journalists of Nicaragua, about the measure taken by Radio Corporacion's management.

Eugarrrios said he did not know the purpose of the new policy, since this measure curtails the newsmen's right to work. He said the Media Directorate of the Culture Ministry will be consulted.

"This is aggression against salaried newsmen," Eugarrrios said.

He added: "It is surprising that Fabio Gadea and his partners should have taken this position when they owe their large number of listeners, and therefore their profits, to serious and prestigious newscasts like 'Sucesos.'"

"Businessmen who act in this way are trying to maintain a (?monolog) with the public and to leave no room for others who have different opinions. This is contradictory to the political pluralism they so often profess," Companero Eugarrrios said.

Companero Rostran said: "Nicaraguan journalism will not permit aggression against freedom of expression. For this purpose we have the support of the communications media law."

Rostran mentioned the times in which businessmen did as they pleased. "But those times are gone," he said.

"Our association will be on the alert. Under the law the newsmen who work there will have to be members of the Union of Journalists of Nicaragua (UPN)," Rostran said.

The issue of newscasts will be discussed at a meeting today at the Alvaro Montoya Lara Newsmen's House, since the action taken by the Corporacion management could set a precedent for measures against newsmen who support the revolutionary process.

CSO: 3010

WORKERS FRONT ACTIVIST OUTLINES ORGANIZATION'S POSITION

PA062141 Managua EL PUEBLO in Spanish 3 Dec 79 pp 1, 8 PA

[Interview with Chilo Tellez of the Workers Front]

[Excerpts] [Question] Companero Chilo, our paper would like to know what the Workers Front position is now that its members have been released from jail.

[Answer] Our position has been and continues to be that unity is needed to propel this revolution along the path of socialism. This is the ambition of the working class and of all the oppressed in our country. We want unity within clearly defined programs which must logically guarantee defense of the interests of the proletariat and the poor peasants.

[Question] Companero Chilo, would you comment on the statements made by Commanders Daniel Ortega, Tomas Borge and Eden Pastora in interviews with the press a few days ago? They have mentioned groups which are going about inciting the workers to demand wage increases. We would like to know whether the Workers Front is involved in that wage increase campaign.

[Answer] Our organization does not feel the statements made by the commanders in question apply to us, since we are not involved in that type of campaign. We are aware that our tasks regarding the proletariat must be directed toward raising the working class' socialist conscience, thereby permitting the proletariat to assume its true role of leadership in the revolutionary process.

This is the task which interests our organization. Now I wish to note that as far as the wage increases are concerned, the workers are spontaneously demanding them. However they are not demanding increases but rather an adjustment of the basic wages to which they have a right, and which would help them to alleviate somewhat the critical situation affecting thousands of workers.

[Question] Companero, would your organization take advantage of any problem arising between the Sandinist National Liberation Front and the workers?

[Answer] Look, we are not opportunists. Of course the front has always spoken frankly, but we will also make proposals we think would be helpful in solving specific crises.

CSO: 3010

EDITORIAL DEMANDS MORE SERIOUS POLITICAL WORK FOR CDS

PA062116 Managua EL PUEBLO in Spanish 30 Nov 79 p 2 PA

[Editorial by Mariano Acosta R.: "Group Dynamics in Our Revolution"]

[Text] When one works conscientiously on behalf of a cause it is not necessary to be an expert in group dynamics or an accomplished sociologist to achieve its objectives. When we feel identified with a cause we seek solutions to the problems that crop up along the way. Clubs, parties, associations, unions, Sandinist Defense Committees (CDS) and so forth all come to a standstill sometimes, even when we might see them active. When we have the feeling that "good work is not being done" we may find we have become "stagnant" or are suffering from senseless activism. A group is stagnant when it does not act, work, march, or its meetings are passive, and so forth. A group is said to be engaged in activism when it carries out works for the mere purpose of being in motion while its members are being directed and are mere spectators regarding the making of decisions and do not know where they are going. In either case the result is the same: The group is pushed toward strange objectives and then on to its destruction.

I say this because of the turn of events connected with the CDS. We understand--because that is how it has been explained--that the CDS are the seed of the future people's power. They should not be only the eyes and ears of the revolution, they must also be its muscles, heart and above all its brain.

How can we ask a person who has studied medicine to build a house or a decorator to run a business? Our CDS will be hard put to take the reins of power if their calisthenics have consisted of sweeping, painting, dancing, reciting poetry or fixing altars to the virgin. What is the idea? To prepare the people's government bodies and the leading political cadres or to maintain the masses constantly entertained and removed from the laying of solid bases aimed at the creation of our socialist society?

Few politically solid activities are currently being carried out. Aside from the ceremonies honoring our martyrs and heroes, which in a few cases achieve a certain political tone, our CDS have gone from the destruction of Somozist power to the strengthening of clerical power. Mechanisms for popular participation in the government must be implemented alongside the correct measures that the government is adopted in the area of agriculture and the economy in general. Otherwise extreme situations arise, as is already happening in certain neighborhoods, where the people in each manzana are being asked to celebrate the feast of the virgin.

Let us prepare our masses, let us disseminate scientific thinking, let us create awareness concerning our society's division into classes and let us promote the ideological struggle as the only means of achieving a political conscience capable of leading us toward the construction of socialism.

CSO: 3010

'EL PUEBLO' WRITER DEMANDS CONFISCATIONS

PA062332 Managua EL PUEBLO in Spanish 1 Dec 79 pp 2, 4 PA

[Article by Leonel Aldana--passages between slantlines published in boldface]

[Text] The newspaper LA PRENSA has begun publishing a series of interviews with leaders of the Sandinist revolution. The first interview was with Jaime Wheelock, director of the Nicaraguan Agrarian Reform Institute. A number of facts and viewpoints of great interest to the people in general and to the peasants in particular emerge in the interview. /On the state's famous 6 million manzanas:/ At last there has been a sufficient explanation regarding this quantitative argument [as published] to justify the leniency so often shown to large landholders in general. There really are 6 million manzanas, but 5 million manzanas are on national land, inherited from colonial times, and 1 million manzanas have been expropriated from Somozists. The 5 million manzanas, as the INRA official says, "are in frontier areas; that is, they are located in remote places without access roads. They are practically virgin lands."

In other words, 83 percent of the lands being considered for distribution and production are lands far from markets, of doubtful fertility. Most of the nationally owned lands are located on the Atlantic coast, where the techniques and crops with which peasants from the rest are accustomed cannot be applied. And, what is most important to the peasant and the state itself, these lands are of high utilization cost, which would only be recoverable over the long term and cannot offer an immediate solution for the peasant families' level of wellbeing. If there is little access to the agrarian reform lands, there will also be high production costs, a relative scarcity of manpower for commercial production, a poor channeling of agricultural implements, scarce or inefficient technical assistance (because of the cost and the time lost in difficult mobilization), inadequate links to markets for input materials, a deficient marketing infrastructure, scarce and costly social services, a reduction in the life expectancy of an infantile population taken to inhospitable surroundings, deterioration of the

physical and mental health of the peasant family, a reduction in labor productivity, and so forth.

All these problems can be solved over the medium or long term. It would be difficult to make the conditions of life and work of the peasant on the lands of the "frontier areas" comparable to those in areas in which some are fighting for land. It will be asked: Does this mean that those lands should not be incorporated into national production and agrarian reform plans?

Obviously, they must be incorporated, but not at the cost of maintaining intact in the meantime, the large landholdings in the Pacific area, for example. If the state were to receive the rents which the large landholders receive for the land, it would have millions of cordobas with which it could establish a state colonization fund to create minimal conditions of living for the peasant population that voluntarily decides to struggle on the agricultural frontier. It would accomplish this by means of a basic plan covering all socioeconomic aspects. In any case, it would be possible to make a deal with the owners whose land is expropriated. They could be compensated for the expropriated land with land in the virgin area in an amount that is equal in fertility. In this manner, only one landholding family would be displaced rather than hundreds of poor peasants.

On the other hand, the INRA director expressed concern over the fact that to finance small producers who do not own land only transfers the payment for the rent from the state to the parasitical landholder. This is certainly true. However, it must be added that it also represents a relative increase in the cost of the lease which the peasant must pay with his labor (or the labor of others) because of the interest which he must pay to the national financing system. If the state leaves large landholdings intact and finances peasant production, it will actually be increasing the cost of leasing the land and joining the landholder in exploiting the labor of the peasant. The state would have no need to share the rent from the land with that parasitical and unproductive class if it proceeds to eliminate that type of property in rural areas and itself takes over that rent, but this time for the benefit of the community.

Let us give an example: According to the INRA director, 5,000 small producers have received financing at present. If each one were to cultivate an average of 2 manzanas, we would have 10,000 manzanas. If there were an average cost of 200 cordobas per manzana, we would have a total of 2 million cordobas in payment of land leases to the "owners," the landholders. This would be 2 million cordobas for permitting the use of the land, without making any productive effort. The state has financed those 2 million cordobas, which are already in the landholders' pockets. However, the peasants have to repay to the state not only the principal, but also the interest on those 2 million cordobas. If the

rate of interest is 12 percent, the amount to be paid to the state for the financed land lease would be 2.24 million cordobas. In other words, the amount which the peasant pays for the land lease would be increased, and his earning from his labor would, therefore, be decreased. In any case, the peasant would then transfer this cost to the laborers whom he hires, reducing salaries in order to maintain an acceptable profit. This is an example of why the working class and their equivalent in the rural areas, the agricultural proletariat, are interested in agrarian reform and the elimination of large properties. They are feeling the effects of this obstacle, that obsolete property system.

We reiterate that if the state receives only those 2 million cordobas as rent for the land, it would be freeing enormous resources to increase the productive process in the city and in agricultural areas.

The INRA has already begun to insist on the old colonization formula. This is an old bureaucratic formula which was unsuccessful for the Somozists even in the period of greatest military repression. Siraña and Raché represent land problems which the peasant masses decided to solve themselves, disregarding plans for transfers to virgin areas or the agricultural frontier and disregarding the inconsistent program of the National Agrarian Institute, which pretended not to see the large landholdings, while operating as a ticket agency for the country's Atlantic coast. However, it wanted to sell tickets only to the peasants who claimed the land that they need to live and work, not to be parasites.

This is proof that the dispossessed masses also have their own agrarian reform projects, their own projects for the revolutionary distribution of the land. It is the duty of an organization like the INRA, which emerged from the insurrection itself, to know the sentiments of the dispossessed peasant masses, to interpret them and choose the solutions that the masses require.

Otherwise, the present and future of agrarian reform as conceived by the INRA will be radically different from the present and future of agrarian reform as conceived by this country's workers and peasants.

CSO: 3010

'LA PRENSA' WRITER SCORES 13TH MONTH BONUS CUT

PA071343 Managua LA PRENSA in Spanish 4 Dec 79 p 2 PA

[Article by Mario Alfaro Alvarado: "The 13th Month Bonus Is Not a Gift"]

[Text] It seems the government junta takes the issue of the 13th month bonus very lightly--so lightly that with one stroke of the pen it has destroyed the dreams and hopes of thousands of wage earners.

If the government junta feels the 13th month bonus is a gift or something superfluous which its owners can do without, its view runs completely contrary to the wage earners' view on that extra wage or bonus.

The 13th month bonus is a right the workers have won after many years of struggling for wage increases. This does not mean the workers were necessarily bent on achieving a Christmas bonus. It means the workers have won the right to that bonus by working 12 months a year for many years.

It also means the hard struggle for the improvement of the workers' wages and the achievement of social benefits as a result of the unions' efforts against the Somozist dictatorship for 40 years consolidated the right to obtain and use the 13th month bonus.

This is what gives the workers the right to the 13th month bonus, not the fact that the dictatorship "granted" it in a desperate demagogic maneuver to shore up its position and improve its image at a time when it was on its deathbed because of the revolutionary thrust of the Nicaraguan people.

The way the people obtained the Christmas bonus is not what makes it a right. Instead, it is right because the people had worked for it and demanded it for years.

From the economic viewpoint, the 13th month bonus is the result of a year's work from each wage earner. It is what each worker has produced

and accumulated by working from month to month for 1 year. From where does this bonus come but from the work of those who produce the country's wealth? Under the current circumstances, that bonus will not be used to buy luxuries for anyone because in the past 2 years we have gone through a monetary devaluation, a constant increase in the cost of living and several months with unemployment or reduced wages. All this considerably decreased the income of Nicaraguan families and debts were accumulated which the people had hoped to pay with the Christmas bonus.

The government junta is determined to have the people work for reconstruction. This is just and praiseworthy. The people are urged to save so banks and financial companies will obtain the funds needed for reconstruction. This is commendable and healthy. Technicians and professionals are asked to stay in the country, and those who have left are asked to return. This is desirable and practical. However, where does the violation of a right and the confiscation of a wage, which the government measure constitutes, fit in?

Does this decree encourage more work? Does it encourage saving? Does it promote the return of technicians and professionals to work in reconstruction tasks? Who can guarantee the government will not do to part of the regular wages what it is now doing to the Christmas bonus?

The government's measure is a confiscatory one. To confiscate means "to deprive one of his assets and turn them over to the treasury." To a worker, his wage is an asset earned with his labor. If the government expropriates this wage, that is a confiscation.

The measure is a violation of a right. It is an infringement of a right. By confiscating the Christmas bonus of the Nicaraguans, the government has broken a law which has not been officially abrogated. It has also violated a right--the wage earners' right to receive money they have earned by working throughout the year.

If the government was unable to pay its workers the 13th month bonus and if workers were not willing to renounce that right because their economic needs prevented them from doing so, the government should have sought a way to fulfill its commitments to the workers. If the government cannot materially fulfill its commitment, and if it is not willing to seek a solution, why should the rest of the country's wage earners who would have received their Christmas bonus have to pay for this?

I do not think reconstruction can be accomplished by confiscating wages and violating the wage earners' rights.

CSO: 3010

BRIEFS

ARMY INCENTIVES PROGRAM LAUNCHED--The Army Public Relations Office, headed by Companero Roberto Sanchez, yesterday launched its "incentive" plan to recognize the discipline and dedication of the Companero members of the Sandinist People's Army. On this occasion, the Companeros of the Carlos Aguero Echeverria School were treated to a trip to the Masaya Volcano National Park. This was the beginning of the positive project. The young visitors, divided into seven groups of 10 members each, were given a tour by Companero "park guides." BARRICADA talked with several of the Companeros, who noted that on Saturday evening they had received with surprise the good news of the trip. Most of them had never been to the park. "We have had a marvelous experience," one of them said, "because we were unaware that such a lovely place existed here in our beloved Nicaragua." [Text] [PA062013 Managua BARRICADA in Spanish 3 Dec 79 pp 1, 8 PA]

ARMY PRISONERS RELEASED--Jinotega--A total of 70 prisoners who had been in Jinotega jails were released yesterday after their innocence was proven. Army officials who released the prisoners said the Interior Ministry is very interested in releasing all prisoners who, like the aforementioned group, are imprisoned in various parts of the country without being guilty of any crime. [Text] [PA061608 Managua EL PUEBLO in Spanish 30 Nov 79 p 6 PA]

LABOR COURT NOW READY--Companero Eduardo Coronado Perez has been appointed fifth labor court judge. With his appointment, the labor court is now ready to begin hearing cases. [PA042256 Managua Radio Sandino in Spanish 1800 GMT 4 Dec 79 PA]

NEW INRENA OFFICES OPENED--The Nicaraguan Natural Resources and Environment Institute has created two more regional offices to provide better service to the public. The northern regional office is located in Nuevo Segovia Department and the northwestern regional office is in northern Zelaya Department. [PA042256 Managua Radio Sandino in Spanish 1800 GMT 4 Dec 79 PA]

CONCERN OVER ARRESTS REPORTED--Granada--According to reports, many people are being arrested here for investigation. Persons arrested include Salvador Navarrette, LA PRENSA correspondent in this city; Heberto Portobanco, well-known athlete and shoe manufacturer, who was arrested Sunday morning; Miguel Angel Ordonez; Francisco Blandon; Alfredo Valle and others. When authorities were asked why these people were arrested, they replied that "there were orders." They were taken to La Polvora Penitentiary. The Granada people are very concerned over these arrests. Portobanco is a very well-known person not only in Granada, where he has always been involved in baseball, but throughout the country and abroad because he has managed Nicaraguan baseball teams several times. Regarding his shoe plant, it is one of the best factories in the country and he has been very successful with it. Salvador Navarrette has been working for LA PRENSA for several years. He was first engaged in the newspaper's promotion and sales and is now in charge of LA PRENSA's Granada bureau. His reports have always been objective and true. According to reports, he was arrested when he went to find out about the arrests of Portobanco and others. [Text] [PA070337 Managua LA PRENSA in Spanish 4 Dec 79 pp 1, 12 PA]

WORKERS FRONT STRIKE CONTINUES--Bernardo Quiroz, the father of one of four Workers Front members imprisoned at the former La Polvora headquarters, has said the prisoners are in a very delicate condition after 175 hours on a hunger strike to demand their immediate release. The prisoners are Carlos Alberto Murillo, Juan Francisco Quiroz, German Larios Morales and Bayron Carballo Aviles. The four were arrested by the Sandinist People's Army almost 2 months ago in the city of Nanadaime, where they reside. Luis Cabrales, former security officer in Granada, investigated their activities for some time but did not release them. After he was transferred to another post, his replacement carried out another investigation. Although they have not been found guilty of anything and Commanders Borge and Wheelock have ordered their release, the official has refused to release them. In view of this situation, the comrades [camaradas] of the Workers Front decided some days ago to go on a hunger strike for an indefinite period until they are released. They are now physically weak because of the hunger strike. [Excerpt] [PA071455 Managua EL PUEBLO in Spanish 4 Dec 79 p 6 PA]

CSO: 3010

PAPER CRITICIZES U.S. EMBASSY ON HANDLING OF CHECKS

PA070013 Panama City MATUTINO in Spanish 6 Dec 79 p 6-A PA

[Article by Ricardo Lince: "My Dear Ambassador"]

[Text] Ambler H. Moss, our esteemed U.S. ambassador to Panama, has been handling relations between our two countries masterfully, and so far has tangibly assured a climate of cooperation that we had not witnessed for many years. However, he is facing problems within his diplomatic organization that are worrisome and that may be resolved in view of the old saying that no chain is stronger than its weakest link.

The U.S. ambassador is facing the tremendous problem of the 13,000 or 14,000 members or dependents of the U.S. agencies or the army who receive dependent or retirement checks.

It has been reported that--because of some chaotic and unexplained circumstances that cast doubt on our dear Ambassador Moss' administrative ability--these persons are not receiving their checks.

Relations between Panama and the United States have been intense and full of implications. It is not possible that at this stage, when Panamanian rights have been recognized, Americans are trying to deny the rights of the beneficiaries of the Panama Canal workers and of the U.S. veterans who gave their blood and lives for Panama. Now, because of disorganization in the U.S. Embassy, these beneficiaries are facing the prospect of a bleak Christmas and uncertain days because of the unexplainable policy of Ambassador Moss' staff in Panama.

Americans, as far as humanly possible, have been fair with and mindful with their people. It is not possible for this aggressive, arrogant and sometimes rude policy of the embassy staff to continue in the face of the clamor by more than 14,000 people who go there to ask for what is rightfully theirs.

The U.S. Embassy must make an official declaration to the thousands of families who are waiting for these checks, which are by no means a gracious concession handed down by the U.S. Treasury; these checks are rightfully due to citizens of that country who often sacrificed their lives for the prestige of their country.

COLUMNIST VIEWS MOTIVES FOR TAKING OF U.S. HOSTAGES

PA092315 Panama City MATUTINO in Spanish 7 Dec 79 p 6-A PA

[Second part of article by Carlos Perez Herrera: "Ayatollah Khomeyni's Motives"; part one not filed on merit]

[Text] The ayatollah has not been improvising: He planned to topple the corrupt and turncoat monarch and proclaim an Islamic republic. He knew he could not count on the United States or the Iranian Army generals but he was quite aware of what he wanted. He was counting on the spiritual power of Islam and popular support.

When Ayatollah Ruhollah Khomeyni appointed a prime minister to organize a government even though the shah's cabinet and his regent were still in office, he was not kidding. He was implementing the plan he had nurtured. The monarchy was toppled, those guilty of genocide and abuse of power were punished, U.S. advisers of the Iranian Army were expelled and traditional, autochthonous value regained their standing. This produced a major scandal in the West. The Western press has discredited the reforms, executions and the biggest sacrilege of all, the dumping of millions of tons of hard liquor, which the ayatollah ordered, a matter of greater concern to Westerners than the oil crisis.

How did the West react? In the Kurds' rebellion which could have begun a civil war some close aides of the ayatollah were killed. If we bear in mind the weapons exhibited as confiscated from the rebel Kurds were Belgian- and U.S.-made, we can appreciate Ayatollah Khomeyni's motives for allowing the kidnaping of the U.S. Embassy personnel whom he regards as conspirators against his revolution. The OAS has pointed out that "the taking of diplomatic offices and staff is a violation of international law" but it has failed to note another established principle: "Noninterference in the internal affairs of states." One violation has been followed by another violation.

The nonaligned summit held in Havana from 3 to 9 September foresaw the plot against Iran and approved resolution No 131 welcoming "Iran into the non-aligned movement" and stating its firm stand alongside the Iranian people in confronting conspiracies against the Iranian revolution. As is known Iran has withdrawn from CENTO and announced that it would review its bilateral military treaties.

COLUMNIST QUESTIONS WISDOM OF CANAL SALARY SCALES

PA082017 Panama City LA REPUBLICA in Spanish 6 Dec 79 p 5-A PA

[Joaquin Beleno column "The Ones Drawing the Highest Pay"]

[Text] In comparison with other workers the canal workers who have been switched to the government's payroll are getting the best pay.

This is true for two reasons. First, they are legally entitled to receive the 13th-month bonus. Second, the payroll deductions [prestaciones] made by Panama Commission [PCC] are much lower than those made by Panama. In addition, the last meeting of the State Council ordered that [the salaries] of those workers be paid on the basis of the original salary scale which upholds the principle of net salary.

This decision increases our government's annual payroll by \$600,000. We do not believe we can afford this luxury without backing from the labor unions' membership in view of the public debt of \$2.6 million officially admitted by the comptroller general's office.

Over 2,000 people working in the Balboa and Cristobal ports, on the railway or in other areas of the former canal zone will be earning much higher salaries than they did when the canal zone existed. They will be receiving comparably higher salaries than those working for the PCC under the same scale and grade.

The United States has unilaterally established new salary scales for manual and non-manual laborers starting with a basic salary of \$2.90 an hour. However, the disparity grows sharply as the salary scale increases. Our professionals and intellectuals find this salary scale laughable when the philosophies of the various salary scales used in the world are explained. The new salary scales applicable to the new PCC workers beginning in October 1979 will reduce salaries and Panama's foreign exchange earnings from goods and services. Our question is: Will Panama continue to use the old scale instead of the new scale established by the United States, or will it draft a new scale for new employees?

Because the salary scale used by the Panama Canal Company in the past has been approved a special labor and salary policy for the canal area is in effect.

PANAMA

BRIEFS

ROYO OFFERS TO HOST SUMMIT--President Aristides Royo has offered our country as host for a summit meeting of Central American chiefs of state. The offer was made during a meeting our chief of state had with a delegation of the Government of National Reconstruction of Nicaragua. The meeting will be for the purpose of establishing Central American stability, according to reports. It will also discuss the Central American common market. [Text] [PA082055 Panama City Domestic Service in Spanish 1700 GMT 8 Dec 79 PA]

CSO: 3010

MARAVEN CHIEF OPPOSES OIL PRICE SPECULATION

Caracas EL UNIVERSAL in Spanish 28 Nov 79 pp 2-6

[Article by C. R. Chavez: "Venezuela Met Its Commitments by Refusing To Engage in Speculative Maneuvers"]

[Text] Dr. Alberto Quiros Corradi, Maraven president, is against petroleum speculation on the spot market "although we may be failing to make a profit of an additional \$5 million per day."

For many years, Venezuela believed that the position of a reliable supplier in the final analysis is a valuable supplier and that everything that is valuable can be expressed in terms of security and in economic terms. We are beginning to see now that this is not always so in spite of the fact that there has been so much talk in the world about Venezuela being a reliable supplier for all of its customers and markets. That is not only what Mr. Carter and Mr. Khomeini are saying.

This was also what we heard from Dr Alberto Quiros Corradi, president of Maraven, a branch of Venezuela Petroleum, recognized as an expert on problems of the international petroleum market.

"In any case," says Mr Quiros, "there is no denying that there is a time shift between what the countries can produce and absorb and what the industrialized world requires. This matter of high and exorbitant prices on the spot markets --which are the markets that represent supply and demand, so frequently flogged by the theoreticians--in reality means that the countries in terms of volume produce on the levels which the industrialized world requires.

"It is evident that a country such as Saudi Arabia, which maintains a daily output of around 9 million barrels, is having difficulties in absorbing the vast mass of money deriving from the sale of all of this petroleum at an average price of \$40 per barrel. We can imagine what would happen in that country if, within a certain period of time, it would sell that same volume at a rate of \$40 per barrel or if it were to sell the oil on the spot market.

"This inability on the part of a petroleum-producing country, such as Saudi Arabia, to handle such volumes of money is very dangerous not only in international terms but also in terms of economic development--a little bit of that happened in Iran--where the people who have the money do not have any confidence in the systems that promote growth; and this is perhaps why they are stimulating a clear form of involution through a return to certain myths and ancient customs which in the end will not help them much on their way toward economic, social, and cultural progress.

"I believe that we can harmonize these international-type considerations with what Venezuela is doing right now, with what is happening in Iran, which indeed is a very serious thing. We note that Venezuela has done the most sensible thing in the face of this scenario of uncertainty. This is why I believe that the nation's oil policy has been adequate and intelligent in this sense.

"What has been done? We invested and we are now investing in the development of a greater potential in the already existing deposits, in other words, we are trying to add more reserves, more potential, more availability. As I said before, this is a very important source of power which we must not underestimate.

"Along these lines, we are not only increasing our output capacity but we are also increasing exploration in order to generate new reserves. Within this entire exploratory context, more than in quantitative terms, we find, for example, the oil area along the Orinoco which everybody has finally now come to accept as an important and promising fact of life."

Refining

"We are investing," says Quiros, "in flexibility, in the expansion of plants, not in terms of size but in terms of refining process complexity. Refining is the first step that turns the petroleum raw material into a consumption item, into byproducts. Our refineries are big producers of residual, the product which is burned and which must rapidly and easily be replaced by coal, by nuclear energy, etc. Then, as a two-pronged strategy, Venezuela must change its refining capacity and pattern, for two reasons: first of all because, in reality, domestic consumption forces us to do that; secondly, because, strategically speaking, the future of exports is not to be found in something that is going to be replaced. The future resides in that which cannot be replaced and therefore strategically speaking that is the way Venezuela must go. This is why everything that is being said about the inconvenience of altering refining patterns is nothing but a sentence of doom to permanent underdevelopment because a raw-material exporting country is by definition an underdeveloped country."

Prices

"The other change in Venezuelan strategy concerns the sales aspect. I believe that it is very important for everybody to understand this because as a matter

of fact there have been people--including some friends of mine--who have been saying that Venezuela should stick to this kind of free spot price market, collecting \$40 and even \$50 per barrel because, if everybody does it, why don't we do it? Of course, we would have made several millions more which we could certainly use. But I frankly disagree with that idea because I believe that Venezuela has been applying a correct strategy which boils down to this: it utilized the crisis, but not to make a profit of an additional \$5 million per day which, tomorrow, when the crisis is over, when Iran and the United States get together again, would mean that we might find ourselves facing a speculative problem. However, what we have been trying to do in Venezuela is, through the mechanism of the crisis, to utilize markets which otherwise would be closed to us. In this way we have established a very much closer relationship, a relationship which guarantees us continuity in drawing up long-term agreements between the producer and the consumer. This, I believe, is much more effective and much more reasonable than to embark upon speculative processes which might possibly turn against us.

"I believe that Venezuela in this sense did not cause increases above the price levels fixed by the OPEC in spite of strong internal pressure because the myopia of what looks like an easy profit can prevail at any moment. We have been insisting that we must hold on to our customers who can use only our crude for reasons of specialty; that we must refine more in Venezuela and change our export patterns from crude to products; and that we must try to do all that while there is still a psychology of crisis because high prices and the advantages of the spot market will disappear with the same speed as the crisis disappears. On the other hand, medium-range and long-range strategic agreements are good for the national interests and can be very much more lasting. The lamentable thing is that the world is not aware that it can do these things without need for a crisis; instead, we are supposed to have to accept it, we do accept it, but we do it in a convenient fashion and we are not looking for any circumstantial advantage which will only yield us an easy profit that will vanish just as easily."

Quiros then talked about the energy crisis and the topic of conservation, recalling two similar speeches delivered recently by President Carter in which he emphasized the use of conservation as a fuel economy mechanism. However, Quiros objects to the fact that Carter fundamentally accepted the thesis of conservation and fuel economy within the concept of independence, with the American president pointing out that one must become independent of imports. In other words, Carter "did not take up the topic from the viewpoint of interdependence, which is what the current situation is all about, even if the country should continue to be dependent for the next 10-12 years. Those somewhat myopic positions obscure the conceptual horizon and do not benefit the debate on the energy crisis.

"President Carter sings the praises of his neighbors, Mexico and Canada, who, from the price viewpoint do not represent any advantages for the United States, since they sell at prices that in some cases are higher than those of OPEC. I believe that this friendship exists merely because of proximity, not because of action taken.

"Venezuela, on the other hand, doing what it has done, I believe has gained an invaluable credit which, whether or not they want to admit it, today or tomorrow, cannot be ignored because it is already on the record. In acting thus, Venezuela has gained the reputation of a serious country which has proven and maintained its record as a responsible supplier, which has not been taking volumes of oil off the market, volumes which had already been pledged earlier, in order then to resell them at a profit of \$20 and \$30 more.

"This has been a factor of moderation in this entire atmosphere of confusion which has been existing on the market in recent months and it demonstrated a permanent readiness to talk, to mediate, and to reconcile."

The Maraven president concluded with a well-supported reference to the explosive situation in Iran. He recalled the give-and-take between the United States and Iran, when Iran stopped petroleum shipments to American ports and Washington decided to freeze Iranian funds deposited in the United States banks, calculated at something like \$12 billion. However, Quiros assigned little importance to what he called "temporary skirmishes." He believes that the basic issue is to define what is going to happen to petroleum imports from Iran. Quiros warns that the 600,000-700,000 barrels per day, which Iran exported to the United States, consisted of refined products to the extent of 50 percent; and he pointed out that this type of export is much more difficult to control which is why it is possible that, even under the current ban, petroleum derivatives might still be reaching United States ports from Iran.

5058

CSO:3010

APPEAL DECISION ON OIL COMPANY COMPENSATION DISCUSSED

Caracas EL NACIONAL in Spanish 28 Nov 79 p D-8

[Article by Cayetano Ramirez: "Nation Gets 2.4 Billion From Petroleum Compensation"]

[Text] The Supreme Court has just ruled in favor of the nation on a case which was submitted to it by one of the petroleum companies concerning the compensation demanded of it during the first quarter of 1976 by Comptroller Jose Muci Abraham.

This means that all compensation payments submitted on that occasion to the group of 33 companies will be decided upon in the same fashion and that the nation will get 2.4 billion bolivares in taxes which the treasury will collect.

A Man Must Act According to His Conscience

These compensatory statements have a history of their own and the first thing we recall is that few people believed that the whole thing would be successful. A long series of cases against the oil companies had been lost and it was always believed that their enormous economic and other power would again tip the scales. Comptroller Muci was subjected to pressures from various quarters and he spent several days thinking about the situation because he was told that the nation's interests would be affected.

Dr Jose Muci Abraham himself, whom we visited in his office on the occasion of the ruling, told us:

"Yes, a big campaign was mounted against me."

"You had earlier been a legal adviser and agent of the Shell Company which is one of the biggest oil companies."

"That is also correct. But in accepting the job of comptroller, I determined to represent the rights and interests of the nation and that is where any other prior commitment stopped. A man must act in accord with his conscience."

"Who put pressure on you, how was that pressure which you got expressed at the moment you submitted the demand for compensatory payments?"

"When I informed the country's highest authorities that the compensation demands were going to be submitted and when I mentioned the amount, which was the reason for the report because, if the amount had been small, it would not have made any sense; when I informed the president of the republic and the president of the congress, they expressed fear about the effects which this might have on the country's interests, in terms of obstacles in the sale of petroleum and other consequences. I had to sit down and think deeply and compare the risks involved in the compensation payments and my responsibility and I decided to submit these demands, in spite of the fact that I realized that there were some risks involved."

"There was a campaign against me," continued Jose Muci Abraham, "which was intended to show public opinion that the compensatory payment demands were extortionate in character and legally inconsistent but, years later, time proved the Venezuelan nation--whom I represented on that occasion--to have been right."

"Could not the oil companies on the other hand charge that the Venezuelan courts were not competent to rule on the tax compensation payments which certainly could cause trouble for us?" we asked.

"The Venezuelan courts," he replied, "were and are obviously competent to handle those cases. The companies, on the other hand, never charged that the courts were not competent but on the contrary they went into court to defend themselves and to protect the exercise of their rights."

What Did Payments Consist of?

"What did the payments consist of?" we asked, "because this is a specialized matter which only some lawyers and experts are familiar with. We all know that the nation, at a certain moment, is not in agreement with the income tax declaration and makes a corresponding demand but the details are very interesting especially when you talk in terms of a tax demand of more than 2 billion bolivares."

"The central problem involved in the demand for additional payments submitted by the Office of the Comptroller-General of the republic, during the first quarter of 1976, to the former hydrocarbon concessionaire companies consisted in a difference of opinion between the Office of the Comptroller-General and the companies, expressed in the following terms: the income tax declarations for 1970 and the subsequent tax payments were handled by the former concessionaire companies taking into account--for the purpose of determining the income of the taxpayers from export sales of hydrocarbons and derivatives--the reference prices established in the agreements signed with the national executive branch by those companies, according to the law which was in force until 30 December 1970."

"The Office of the Comptroller-General in turn believed that these statements and the subsequent payments should have been handled on the basis of the export values fixed unilaterally by the national executive branch (Joint Resolutions Nos 643 and 408, of 8 March 1971, issued by the Ministry of Finance and the Ministry of Mining and Hydrocarbons), in accordance with the requirements in Article 41 of the Income Tax Law which took effect on 30 December 1970."

How Was the Process of Oil Compensation Payments Developed and Decided?

"During the first quarter of 1976, the Office of the Comptroller-General of the Republic sent the former hydrocarbons concessionaire companies additional payment demands amounting to approximately 2.4 billion bolivares. The enterprises challenged these demands in the Office of the Comptroller-General itself and rejected them. In view of that situation, the comptroller-general had to confirm, modify, or drop these above-mentioned payment demands. The Office of the Comptroller-General confirmed the additional payment demands and the former hydrocarbons concessionaire companies appealed these decisions in the income tax courts under the provisions of Article 103 of the Law Organizing the Office of the Comptroller-General of the Republic, within a deadline of 45 continuous days, as of the date they were notified of the decision.

"One of the demands was ruled on basically by the Third Income Tax Court.

"This was the demand addressed to American Petrofina of Venezuela S. A. The corresponding ruling was in favor of the Office of the Comptroller-General, that is to say, it denied the appeal filed by the former concessionaire company and confirmed the additional tax bill.

"That ruling was appealed by the taxpayer in the Supreme Court, in the political-administrative section, which recently, under the chairmanship of Dr Rene De Sola, ruled to the effect that the taxpayer must not make use of the administrative appeal provision in Article 103 of the Law Organizing the Office of the Comptroller-General of the Republic but rather the fiscal appeal provided for in the Income Tax Law, under the provisions of Article 116 of the above-mentioned Law Organizing the Office of the Comptroller-General. The Supreme Court therefore did not basically rule on the matter because there was no need to do so. The former concessionaire company did not use the proper appeal against the additional tax bill (the fiscal appeal procedure) but a different one (the administrative appeal procedure). And it did so in order to obviate the need for posting bond as required when the Income Tax Law is involved.

"The ruling handed down in the case of American Petrofina of Venezuela S. A. is favorable to the treasury and constitutes a precedent that would determine how the other cases would be settled. There is every indication therefore that the Venezuelan nation will emerge victorious on the issue of the additional tax bills sent out by former comptroller-general Jose Muci Abraham during the first quarter of 1976 and that the treasury will get the 2.4 billion bolivares, which is the total amount of these additional tax bills."

"Time Proved That I Did My Duty"

Jose Muci Abraham, a 50-year old Valencian, a brilliant student from the very first day he entered the La Salle Academy in Valencia, until he graduated "summa cum laude" as a doctor of laws from the Central University, took post-graduate work at the University of Madrid. A qualified and demanding instructor for 30 years, a member of academe, author of numerous works on legal theory, Jose Muci Abraham has been known to this editor ever since his childhood; he has always been characterized by the most absolute rectitude and severity.

It is logical for a man of such rigid procedures to be distinguished by energetic action and a secure profile in a society where so much of this is demanded, as in the case of Venezuelan society. For 2 years, precisely, he was comptroller-general, from 1 July 1974 until 30 June 1976. He resigned on that date in a public letter which inevitably became a source of consultation in analyzing recent history and its greatest calamities which he denounced with hesitation. Jose Muci rejected the contract by virtue of which the six Italian frigates--which kept the press busy for more than a year--were to be procured; he handed down a ruling in the case of the military scrap iron; he publicly denounced irregularities in the Workers' Bank and in the INOS [National Institute of Sanitation Works] and made his voice heard on other significant matters in the country's life. In summary, he is a personality who is necessary in Venezuela today because he is one of those who preach and practice rectitude from prominent positions.

We asked him: "What is your opinion of the Supreme Court ruling?"

"The Supreme Court justice who ruled on this matter was Dr Rene De Sola, my professor of business law, and that oddly enough is the same department I am now running; he is a jurist, a judge, and a teacher who has my full respect."

There was a pause and after some other considerations he stressed the unavoidable necessity for fully restoring the very highest values in our society. This was followed by an optimistic statement about Venezuela's future.

He then again talked about the topic of compensatory payments through which the nation will get more than 2 billion bolivares out of its oil wealth.

"Time proved," said Dr Muci, "that I did my duty. I do not want anything because that was the commitment I had assumed when I swore to do my duty as comptroller-general of the republic."

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BRIEFS

CERTIFICATION OF OIL DESTINATION--Venezuela will include a contract clause demanding a certificate of destination for oil tankers leaving Venezuelan ports and heading for the customers of transnational enterprises that sign sales contracts with Venezuelan oil enterprises. The idea is to prevent Venezuelan oil, which leaves the Venezuelan coast, headed for other countries, from being diverted toward different ports in order then to be sold on the spot markets at speculative prices. A high petroleum source yesterday confirmed that the new sales contracts, being signed in Venezuela with the transnational companies, with whom this type of relationship has been maintained since the nationalization of the industry in 1976, will include a clause demanding a certificate of destination, stating the carrier's responsibility to deliver the Venezuelan petroleum to the predetermined destination and not to order its deviation to other markets. [Text] [Caracas EL UNIVERSAL in Spanish 28 Nov 79 p 1-12] 5058

LIGHT OIL DISCOVERY--A new and important discovery of light crude has just been made by Lagoven in the Perija Mountain Range in the State of Zulia. There, the third well being drilled by this operating company produced light crude, 30 degrees API, with an initial rate of 3,500 barrels per day, coming from the deep limestone of the Cretaceous. The enterprise yesterday announced that the San Jose well is located 100 kilometers southwest of Maracaibo and about 6 kilometers southeast of San Jose de Perija and constitutes a part of the prospecting effort being pushed now by Lagoven in the spur of the Perija Mountain Range in search of light petroleum. [Text] [Caracas EL UNIVERSAL in Spanish 28 Nov 79 p 1] 5058

GUARICO OIL PRODUCTION--Puerto La Cruz, 27 November (special, Evaristo Marin). This year, the crude petroleum output in the areas of Anzoategui and Guarico came to 290,000 barrels per day. Engineer Oswaldo Sanchez Ruiz, head of the office of energy and mining at Puerto La Cruz, said that this figure represents an increase of 5,000 barrels per day as compared to 1978. The official said that 182 wells were drilled this year and that the gas output amounted to a record utilization of 98 percent. The daily gas output figure remained stable at an average 1,530 million cubic feet per day. [Text] [Caracas EL NACIONAL in Spanish 28 Nov 79 p D-15] 5058

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